Daily Report

Latin America

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'San Jose VII' Summit Opens in Managua 17 Mar

Minister on FMLN Proposal

PA1703180591 Mexico City NOTIMEX in Spanish 1640 GMT 17 Mar 91

[Text] Managua, 17 Mar (NOTIMEX)—Salvadoran Foreign Minister Jose Manuel Pacas Castro arrived today in Managua to attend the "San Jose VII" meeting which is to begin tomorrow.

Pacas Castro was welcomed at the Managua International Airport by Danilo Lacayo, director of information and press of the Presidency, and by Sandor Pallais, director of protocol of the Nicaraguan Foreign Ministry.

Pacas Castro denied that the armed conflict between the Salvadoran military and the guerrillas is at a stalemate, and he asserted that efforts are being made to find a negotiated solution and "to put an end to the bloodbath."

He stated he was unaware of the proposal that the guerrillas presented yesterday to Nicaraguan President Violeta Chamorro, but averred that "any initiative to promote peace and dialogue is welcome."

Representatives from 21 governments of Central America, Europe, Panama, Colombia, Mexico, and Venezuela will convene tomorrow with the objective of strengthening relations between the EEC and Central America.

The Salvadoran foreign minister arrived with Spaniard Abel Matutes, the EEC commissioner. Matutes said "there is no consensus yet among the European foreign ministers" on the issue of preferential treatment for Central American products in Europe. "We will continue, however, to exchange views on a possibile solution to the problem; if no solution is found, we will begin thinking about new proposals for the future," Matute pointed out.

Foreign Ministers Arrive

PA1803042591 Panama City ACAN in Spanish 0149 GMT 18 Mar 91

[Excerpt] Managua, 17 Mar (ACAN-EFE)—Twelve foreign ministers and deputy foreign ministers from the EC, Central America, Mexico, Colombia, and Venezuela will arrive in Managua today to participate in the San Jose VII Conference scheduled to begin tomorrow, Monday.

The heads of the delegations will begin discussing polemical economic issues this evening to work out a new phase of European cooperation for the Central American region.

Jacques Poos, president of the EC Council of Ministers, said today that he is certain that the conference will result in "an important increase" in European aid for Central America.

Following his arrival in Managua, Poos, who is Luxembourg minister of foreign affairs and foreign trade and cooperation, said that for the next two days an effort will be made to find the means to increase EC cooperation for Central America.

Poos said that "the aid that the EC offers Central America is not conditioned and will be equitably distributed." Poos' statements in French were translated into Spanish by Nicaraguan Foreign Minister Enrique Dreyfus.

Poos said that Central America's request for preferential tariff treatment, so that its products may reach the EC market, "will be a key issue in the agenda." According to Poos, the conditions are favorable for a "successful" conference.

One of the foreign ministers who arrived at this capital today is French Foreign Minister Roland Dumas, who was laconic with the media. He said in Spanish: "I have come to see your leaders, your president. I also expect the conference to be successful, because we have been working on it thoroughly."

The foreign minister of El Salvador, Jose Manuel Pacas, arrived yesterday in Managua.

Abel Matutes, from Spain, who is the EC's delegate in charge of relations with Latin America, said today that the EC is studying the possibility of granting preferential trade treatment to the Central American countries.

Matutes, who arrived in Managua to participate in the San Jose VII Conference, which will be dedicated today by Nicaraguan President Violeta Chamorro and which will end Tuesday, said: "I am in favor of giving preferential trade treatment to the Central American countries." [passage omitted]

Latin America-Caribbean-Europe Conference Opens

PY1403031091 Santiago Radio Cooperativa Network in Spanish 2300 GMT 13 Mar 91

[Excerpt] [Chilean] Foreign Minister Enrique Silva Cimma has said that today, more than ever, Latin America—with 300 million inhabitants—needs Europe's cooperation.

The Latin America, Caribbean, and Europe conference that started at the Chilean Foreign Ministry today seeks to assess the new prospects for cooperation stemming from the political and social changes which have taken place in Latin America and Europe. During the event the subjects of democracy, human rights, development, and cooperation will be raised.

The Chilean Foreign Ministry is also cooperating with the meeting which has been organized by the Council of Europe's Center for Global Interdependence and Solidarity. This is the first time that Latin American representatives have met with representatives of European governments, parliaments, nongovernmental organizations, institutions, and local and regional authorities.

The meeting is sponsored by the king of Spain as well as the presidents of France, the Czech and Slovak Federative Republic, Venezuela, and Brazil. A total of 180 representatives from the two continents are participating in the event.

Upon opening the event, Minister Silva Cimma referred to the European current situation:

[Begin Silva recording] The decade that has just started—likewise the one that has just ended—will witness great international changes that will affect us, whether we like it or not. Some of the most important changes are originating in Europe. The changes that have taken place in Eastern Europe during the memorable year 1990 spread democracy throughout almost the entire continent. Ancient doctrines have been crushed, and at the same time the Cold War period that for four decades ruled the relationship between the Eastern and Western hemispheres ended. [end recording] [passage omitted]

Further Cooperation Advocated

PY1603181091 Santiago Radio Nacional de Chile Network in Spanish 1100 GMT 16 Mar 91

[Text] The search for new ways to solve the debt problem; the promotion of technological, cultural, and human resource exchanges; and the introduction of mutually beneficial trade policies were some of the agreements reached at the Latin America, Caribbean, and Europe Conference on 15 March.

During the closing ceremony of the conference, Foreign Minister Enrique Silva Cimma read the Santiago Initiative, summarizing the agreements reached at the three-day conference in which 180 delegates from Europe and Latin America participated.

The participants deemed it necessary for cooperation to be implemented between the governments of Europe and Latin America within the framework of regional organizations that are increasingly better structured, between the parliaments within their democratic control functions, and between local and regional powers, especially in the form of decentralized cooperation.

While reading the Santiago Initiative, the foreign minister emphasized that democracy goes beyond the ability to elect representatives in free elections.

[Begin Silva Cimma recording, in progress] ...admit that the strengthening of democratic life is inseparable from the exercise of human rights. Democracy goes beyond the ability to elect representatives in free elections. It also involves a recognition of the citizens' legitimate rights and everyone's active participation in political life, thus ending the neglect in American democracies of ethnic groups that often represent a majority. [end recording]

The conference's goal was to strengthen new possibilities for cooperation in light of the political changes that have taken place in our continent. This was the first opportunity in Latin America for representatives from governments, parliaments, nongovernment organizations, academic institutions, and authorities of local and regional powers to meet.

Cuba

Castro Addresses Rally Marking FEU Attack

PA1503174191 Havana Cubavision Television in Spanish 0134 GMT 15 Mar 91

[Speech by Cuban President Fidel Castro during the ceremony marking the 34th anniversary of the attack by the Federation of University Students (FEU) on the Presidential Palace and the Radio Reloj studios held in front of Havana's Revolution Museum—live]

[Text] Dear relatives of the 13 March combatants; dear comrades of the Federation of University Students [FEU], the Federation of Secondary School Students [FEEM], and Pioneers: Can you see with that sun shining over there? Let me see. [someone in the audience shouts indistinct words] Thank you very much. [applause and cheers]

We had a meeting today, as we do every Wednesday. We, the members of the Council of Ministers Executive Council, were meeting over there. Of course, meetings are like classes for us. We feel it is a duty to attend. I have sometimes said that what I like the most about meetings are the breaks. [laughter] I later arrived at the conclusion that meetings have something better than breaks, the end. [laughter]

We take our daily work very seriously. It was a coincidence that Wednesday fell on 13 March. We had said such and such Wednesday and did not realize what day it was. We were at the meeting. When we remembered your invitation, I asked the comrades: Have you received invitations for the 13 March ceremony? Almost all said yes, they had received their invitations. I suggested that the meeting be stopped and that we come and participate with the students in the 13 March commemoration. [applause]

No matter how important a meeting is, it is much more important to remember a date such as this one. I do not believe that there is anything more important at this time than to honor those who made sacrifices for the independence and dignity of the nation. This is a day which is important not only for you students but for the generation that participated directly in the combats of those years. It is impossible to forget.

We were in the mountains then, in the heart of the mountain range. We were not even a large group. Around this time, at the foot of one of the highest mountains of the area, the Sierra Maestra, where we moved around, we tuned in the radio and only heard the tick, or whatever it is called, of Radio Reloj. We could hear the Radio Reloj signal, but not a single word was heard. We realized that something serious, something very significant, was happening at that time inasmuch as there was no explanation for that silent radio.

The event had just taken place, Jose Antonio [Echeverria] had just spoken, and only the radio signal was left on the air. We anxiously waited until the first news of what had happened began to come in through the radio itself. We also learned quickly—I do not remember exactly how quickly, I believe it was during that same afternoon—about Jose Antonio's death. The news was learned in bits and pieces. As usual under these circumstances, some of the fighters died when they were taken prisoner, they were assassinated. That day was a day of terror in the city where they assassinated various people.

We knew Jose Antonio very well. We had left the university shortly after Jose Antonio arrived. From the very beginning he was known for his cheerful personality. He was friendly. He was the type of person who got people's sympathy by just talking with them. He was a very active person. I remember him during the first days of 1952 when Batista's coup d'etat took place.

It was 1952 or 1953. During the demonstrations, he was not yet a student leader. He was a young man attending the School of Architecture, if I remember correctly. He was called Little Apple. He had a rosy complexion. That was one of his physical traits. He was from Cardenas. Everyone knew him. He was already famous, popular, from the beginning, because of his constant activity, his energy, his participation in the first rows in demonstrations, and his courage. These were Jose Antonio's traits. He was always very nice and friendly with us in spite of the fact that new students arriving at the university do not very much like the presence of the students before them.

When events such as the 10 March coup took place, there were people at the university who said everyone was competing with one another. Some saw us as competitors trying to take over the revolution. The truth of the matter is that they were a little jealous. Little is said about these things. This was never Jose Antonio's attitude, never ever. On the contrary. He started to become known and started to rise until he became president of the Federation of University Students. He gave the federation all his energy and spirit. The students' combat spirit grew a lot. They waged tremendous battles against the police. I remember that we were imprisoned and they carried out several protest demonstrations in the streets.

We later left Cuba to prepare what was to become the Granma Expedition. At that time we did not have a ship and did not know what the ship would be called. Students waged great battles also. They were strong, very strong battles against the police. They were pitched battles. Jose Antonio was always heading them.

The University Students Directory stayed behind—a representative of the Students Directory visited us in Mexico when we were about to return to Cuba. We discussed at length Cuba's problems and we reached an agreement for the 26 July Movement and the University Students Directory to work together. That was extremely important to us because the University Students Directory was joining our movement's forces. Figures of national prestige were joining, Jose Antonio among

them. We drew up what was called the Mexico Accord, agreeing to work together on the overthrow of Batista.

According to plan, we organized the expedition and landed in the Eastern Province. Then, it was only one province. We landed the Granma yacht over there, in Las Coloradas, after ordeals which are already well known that we are not going to repeat. This coincides, that is, happened, two or three days after the uprising of Santiago de Cuba. We in the movement itself had our dissenting points of view, to tell you the truth. We wanted to land first, and have the uprising take place later. The idea was.... [changes thought] We did it for a reason because we believed we were well prepared. We believed that although our force was not large—we had almost 100 men who were well trained to fight—our idea was that as we landed, the Army forces would head toward us. We thought that the 30 November uprising would take place in the enemy's rear guard when the bulk of the forces headed toward us. This was a much discussed subject within the movement. I truly believed I had convinced them.

They wanted to do the two things simultaneously: have the uprising take place on the day of our arrival. We arrived two days late, which was not our fault because we did not know much about sailing. All we knew was that we could arrive in Cuba on a ship. [laughter] We had few resources for acquiring a vessel. We bought a yacht, which is the yacht that is at the other side of the palace. As you can see, it is good for a family to take a ride in, but it is not good for carrying on an expedition.

We were determined to come. We had a slogan. Watch out for slogans because they have to be observed. Just as we now say: Socialism or death, Fatherland or death, at that time, in 1956, we said: We will be free or we will be martyrs. We used to write that in all proclamations. [applause] Some people, such as historians and others, have asked themselves why we did it, and if it was right to announce a landing for a set date. Why the commitment?

I would say that is debatable. I have no objection to discussing that. Which element was influential? The skepticism of many people about the possibilities of a revolution in Cuba influenced us a lot. The skepticism of many people, united with the enemy's propaganda, was influential. They said all that was not true, and that not a word would be kept, that that was only a slogan. A lot of campaigning was done. Well, there are two moments. There is the moment before we launched the slogan, which was pure skepticism, saying we would not come. After we launched the slogan, there was another campaign: that we would not fulfill it. Well, that was a special situation. We were determined to fulfill it.

When we acquired the weapons, moved them around, and put them away, we always left behind a small group of weapons, 15 or 20, because I said: I will get there no matter what. I will fulfill the promise. Whether it was the right thing to do or not is debatable, but the promise was made. The promise was made and had to be fulfilled. We said: We could even use a plane. Perhaps we would have hijacked a plane and would have landed who knows where, but close to some mountain. The fact of the matter was that we would return to the country before 31 December. We had said it and were determined to carry it out.

Of course, we wanted to return with the largest number of men possible, under the best possible conditions. At the beginning, when the strategy was planned—we had already planned from prison—the idea was to gather 300 men with automatic weapons. We took into consideration the enemy's air force. We thought that with the fire of the automatic weapons, we could somehow neutralize the enemy air force from land. This was later verified by the Vietnamese in their war, when they had many automatic weapons.

When we were arriving on the Granma, we had only one automatic weapon. [laughter] We had only one automatic weapon instead of 300. The rest were bolt-action rifles. They were not bad ones. We had some 55 rifles equipped with telescopic sights. People had a lot of practice shooting with telescopic sights. They were able to do trapshooting even 500 or 600 meters away, and sometimes they did it sideways. You can figure out the level of accuracy. They were not automatic weapons. There were 82 men. We could not bring some of them.

Do you know how we did it in the end with that class list? By choosing the ones who had more experience, more practice, etc., etc. In the end there were about 15 who were in the highest category. We asked ourselves how we could take the largest number. We chose them by weight and size. [laughter] We chose the smallest ones of our entire troop. I assure you that three or four fat ones were left behind. [laughter] They did not come. It was hard to convince them of the reasons for not coming. We simply did not bring them because two could come in the place of one. We had to do this so that we could fit 82 men on the Granma.

These were the conditions under which we returned to Cuba. They were very difficult conditions. The Santiago de Cuba comrades launched the uprising on the 30th. According to the estimates we had made, we would arrive in five days. Only those of you who study mathematics or naval engineering would have been able to figure it out better than us. We tested the ship in calm waters with a small crew.

Nobody knew enough to realize that once 82 men boarded that ship—there were a few tons of weight in men, plus the weapons—it was going to slow down its speed quite a bit. It not only slowed down its speed, but it almost sank. [laughter] In addition, in addition [repeats], there was a storm the night we left, 25 December. It was like a nutshell swaying in the Gulf of Mexico. It was really sinking. It began to take on water. Nobody really knows how it was that the ship was saved. We were desperately bailing out water. The thing was

very simple: as the ship sank more, as it sank more [repeats], the boards that were above the water were less watertight and water began to come in, but as the boards began to expand with the water's humidity, the gap began to close. Finally, after hours went by, we won the battle of preventing the ship from sinking.

This is how our return took place, under these circumstances. It was night. In the pre-dawn hours. I tell you all this so that you can understand how difficult it was at that time to coordinate action between Mexico and Havana. The fact of the matter was that it took us two additional days. The ship was sailing at two-thirds of the estimated speed. We had the misfortune of having a comrade fall overboard at about 0200. We did not want to resign ourselves to losing that comrade and we started to go in circles and more circles. Finally, we made the last attempt and heard shouting in the dark night and the choppy waters, and we were able to rescue the comrade. That, of course, lifted the spirits quite a bit because of the effort made. It made us lose an hour. We should have arrived an hour earlier.

In reality, that was an inconvenience because we arrived in daylight in an extremely dangerous situation because the Batista airplanes knew that a ship had left from there. The Air Force and Navy were looking for it everywhere. We left by an indirect way from the south of Cuba, but entered directly toward the current Granma Province, close to the southwestern tip of the province, close to Niquero.

There were a lot of problems. The fact of the matter was that we could not land because the captain we had had been a Navy officer, but he did not know the area well. He circled the area once, twice, and a third time. I finally asked him—it is not that I did not know the answer because one always learns some geography in high school—I asked him, are you sure that that is the island of Cuba? [laughter] Are you sure that that is the island of Cuba? Of course, it could be a little key or something. That was the risk. Some mountains could be seen. I said go ahead. We cannot go around again. He wanted to circle it for the fourth time to get oriented. All this was in full daylight. We had to anchor, land, under very difficult conditions. We did not have the luck.... [changes thought] We almost landed in a dock. We landed in a swamp. That was terrible.

These were the conditions that preceded our return to Cuba. The way in which the students in general and the Directory would support us was not coordinated. That was going to depend on the resources they had, the weapons they had, and the way in which they decided to support us. The fact was that when the landing took place it was preceded by the 30 April uprising. It did not happen simultaneously. This was one of the risks of attempting to use the tactic of simultaneity. Any incident would bring delays on the sea. This is what happened to me.... [corrects himself] to us. We were delayed by two days.

The uprising took place two days earlier. The entire Army fell on the people of Santiago. After they got control of that uprising, the entire Army fell on us. So, the best formula was not achieved in that coordination. We landed in a swamp. We could not advance quickly toward the mountains as planned, possibly by taking over one of the barracks, the ones we could take by surprise, and continue to head toward the mountains. It was not possible. We had been discovered. We later had to try to advance toward the mountains under very difficult, extremely difficult conditions. We were completely surrounded.

That, added to certain carelessness because of lack of experience, made it possible for the Army to surprise us on 5 April almost at nightfall. It distracted us with the planes flying low, flying low [repeats], so nobody noticed a troop that was approaching by land. The expedition we had organized with so much effort and sacrifice was dispersed. We were dispersed and reduced to an insignificant number of men. This was the outcome of the movement at that time. Batista thought everything had been crushed. He based that on what a philosopher would now call objective information. If the expedition had been dispersed and liquidated, it would have been impossible to continue that struggle, according to all estimates.

I remember that I was left with two men—there were three of us—and two rifles—and one of them had a few bullets at the time. Mine had the bullets carried in a cartridge belt. Nobody else was left. Nobody else could be seen in the area. A terrible chase took place to eliminate each one of the combatants. This is how it happened. Many of the ones who died in the Granma, in the Granma Expedition, died as they were taken prisoner, when they were captured in those places as the result of their thirst, hunger. They were captured in different ways, with the exception of three groups, which were the ones who would continue. We were the group of three, the group of Raul, and a group composed of Che [Guevara], Almeida, and other comrades.

The number of rifles we had was very small. We were able to gather seven, more or less. We decided to continue our fighting. For those who asked themselves whether the revolution was possible or not, or said an army was needed to fight the other one, composed of I do not know how many millions [of men], or I do not know how many thousands of weapons, we resumed the fighting with seven rifles, including the ones Raul's group and I had. The other group had some peasants agree to smuggle them first and the weapons later because they did not know the area, and they lost the weapons. Therefore, the third group, composed of very valuable comrades, was unarmed.

We with seven weapons said: Our ideas are just, our strategy is correct, and our concepts are correct; let us fight in the mountains and let us wipe out Batista's army. I believe all this is very important because this shows what can be done with the sophisticated weapons theory.

At the time in which we began our fighting with seven rifles, Batista had tens of tanks, hundreds of armored vehicles, thousands of trucks, tens of planes, hundreds of cannons, thousands of machine guns, and all types of automatic weapons, and between 70,000 and 80,000 men.

We had our seven little rifles. There were a few more people, but we had seven little rifles. Some weapons that had been scattered were later picked up. We decided to continue our fight. We were convinced that our fight was a just one, that it was right, that we had the correct tactic. Undoubtedly, we had to have strong convictions, the type of conviction we ask of revolutionaries, the type of conviction we ask of the communist youth, the type of conviction we ask of the party members, the type of conviction we ask of all the youth and students. We had to have a lot of conviction to attempt to attack this palace as we saw this afternoon, as we saw the Pioneers reenact the events of that afternoon.

That conviction is the fundamental thing, the fundamental thing in everything. It is not the weapons, it is man [applause], it is not the weapons, it is the people who make decisions. We decided to battle with this. For every rifle with which we continued the fighting or decided to continue fighting, Batista had 10,000 rifles.

It is a good thing to remember this now when the imperialists boast about their technology, their planes, and bombs with laser rays and everything. They cannot come and frighten us. They cannot really frighten people like these. [applause]

I already said that we are not worried by what has happened in other places of the world. Our concepts are different. Our ideas are different in every sense. This has been the case since we began to take the road of the revolution because our people have prepared, because we have the doctrine of the war of all the people, which is a different thing. The imperialists are swimming in a sea of triumphs and are talking as though they own the world. They cannot own the world because they do not own us. [applause]

The world is very difficult to rule. In addition, nobody will be able to rule it. What the world has are billions of hungry people, next to a few hundred developed capitalist countries which have looted Third World countries for centuries and today have wealth. Even there there are beggars. Even there there are abandoned children, gambling, corruption, millions of things—even there in those developed capitalist countries.

The world cannot be ruled. I remember sometimes talking with some U.S. politicians who came to visit, legislators or other types of politicians, with their stories about the tragedy and threat of communism, and with the theory that the USSR wanted to take over the world. I told those politicians: If you believe that there is such a mad person in this world who wants to take over the world, why do we not give it to him? Why do we not give it to him? [repeats] Because the world is not Luxembourg. The world is composed of countries with hundreds of millions [of people], such as India, or with over 100 million inhabitants. India alone has 800 million people. It grows by 10 million people every year. You have to see this. India's population grows by 10 million people in a year, the population Cuba has now. All African and Latin American countries are experiencing terrible poverty. In addition, it is a growing poverty, a poverty that grows, a misery that grows, unemployment that grows, a hunger that grows, a situation that worsens.

This is the world. Does anyone want that world? I gave them some examples. How are we going to be accused of taking over a country with all the problems countries have? That is a theory based on fantasy, it is a crazy theory. Today the Yankees, under the current situation—not only do they want to take over the world but they feel they own the world, that world I talk about which is ungovernable. Allow me to say that in the image I used I should have said: Let us give it to them, excluding Cuba. Well, we could include ourselves also. Yes, we could include ourselves so that we are with the rest. Let us tell them [mumbles]. Of course, I am using an image.

Does anyone want the world with all its problems, with that enormous mountain of problems? What I meant was, do you believe that the USSR, which has to solve many of its own problems, which has to work on its own development, will want to take over the world? I was using the graphic image to illustrate that it was crazy, and that nobody could believe this, and that those promises made by McCarthyism, the Cold War, and anticommunism were absurd. I said the countries had to solve their own problems first, that socialist countries had to solve their own development problems first. Now the Yankees think they own the world. Let us see if this world can be ruled. It is the first thing we say. There is a mountain of problems. This idea of universal domination that imperialism has is crazy. It wants to establish its own order.

One has to look at the U.S. President's speeches. They are full of triumphalism as has never been seen in history, as a result of the events that took place in Iraq. I am going to limit myself to saying only two things about the Iraq war. Cuba's positions regarding this are very well known. They are very well known, very courageous, very honorable. Cuba's prestige grew because we condemned what had to be condemned, what was unacceptable. We opposed what had to be opposed. Who is going to be affected by the total blockade of food? Millions of women, children, and old people. Who is going to be affected by the total blockade of medicines? Millions of children, women, and old people, not the soldiers. We opposed this, and we opposed the unilateral U.S. actions, the unilateral military blockade the United States approved. Of course, we opposed that 15 January deadline, that war declared for 15 January.

We said: This is unacceptable, unacceptable. That clashed with a numerical, an arithmetic majority composed of the United States, a few submissive countries, and its allies. The United Nations committed one of the greatest infamies of history, something that is shameful, dishonorable, which will not be forgotten ever. It declared war as a solution. Our theory was that that problem could be solved without war, with isolation measures, not by using a blockade that affected women and children. The level of isolation and the international political situation made it impossible for the situation to be resisted. A U.S. leader—I believe it was Carter—said with plenty of wisdom that a day of war was more expensive than a year of waiting. The Yankees were desperate to test their new weapons, to show their might, to conduct a solemn act by taking power as chiefs of the world.

You know how all that happened and know the stand taken by each country and the stand taken by Cuba. Had it been a country with nuclear weapons, would it have also declared nuclear war? Anyone could see they would not have. It was a Third World country that had made a big mistake, a very serious mistake, had committed a very grave international political fault which was unacceptable and had to be rectified. This was our position. We made diplomatic efforts and presented arguments on this. There are documents around there. The day will come when they will be published and will show what Cuba said, what Cuba did, with a great moral authority, to persuade Iraq to withdraw from Kuwait, to rectify that mistake it had made; that it was going to do a giant favor for the United States, for imperialists; that it was going to greatly harm the Third World countries. All the arguments are there, very clear, irrefutable. We said that it would not be the Vietnam or Korean war; that those countries had a rearguard at the time; that Iraq was completely isolated geographically and it would not have any logistic supplies, it could not have anything; that the political circumstances in which those wars took place were different; that the imperialists were able to form a large coalition with their NATO allies, with Moslem and even Arab countries; and that the steps they had taken were a great mistake and that they should rectify the situation; that they should use courage to rectify those mistakes.

This was our position. We supported everything we thought was just at the United Nations. We opposed everything we thought was unjust. History will show it. Many nations of the world are not saying it out loud. Who are the ones who dare to speak up today? There are very few in the world who dare to speak out loud. They tell us that they are jealous for not being able to play the role Cuba played. What happened there was what we knew was going to happen. We told the Iraqi leadership that a technical war was going to be waged against them by using sophisticated weapons and with the minimum number of casualties.

In essence, what I believe about this, about what happened in the Gulf, is the following: First, wars should never be provoked, wars should not be provoked. This is the first thing. Second, after they are started, wars have to be waged well. Third, wars can only end with victory or death. [prolonged applause]

Our situation can be perfectly illustrated with this. We will not provoke a war. We have not done so in 30 years of the revolution. That is, we will not provoke a war. If there is a war here it will be because it is imposed on us. This is clear. Second, if a war is imposed on us we will know how to wage a war well. [applause] We have been preparing for this for many years. Third, if a war is imposed on us, that war will not end but with victory or death. [applause] It will end—I have mentioned general terms, now comes our particular case—it will end with victory at any cost. [applause] [crowd chants: Fidel! Fidel!]

If there is war, the people will not be watching the development of events as though they were in a stadium as they watch baseball games between Havana and Matanzas, or now Henequeneros, or the ones over there, Serranos and Pinarenos. A war is not like the Pan-American Games. The people would actively participate in it.

What have the imperialists found in their most recent military adventures like Grenada, Panama, and Iraq? They found that in Grenada they had committed a mass suicide through internal divisions, Bishop's assassination. The process had self-destroyed. Otherwise, this small country would have been able to offer a great resistance to the imperialists. In Panama, the people were not ready to defend the country.

This was also the case in Iraq. It had a large conventional army, many tanks, many things, but the people were not trained to wage a war. It lacked the doctrine of the struggle of the war of all the people. That is, conventional war, and conventional wars are as old as the hills. [laughter] Militarily speaking, it is unthinkable for anyone to use conventional war tactics in a war against the United States. This is the truth. Moreover, no one sends all his soldiers to a corner of the country. To establish a front line along a corner is also a theory as old as all wars.

They should have been better acquainted with World War I, particularly World War II. This was a classic war strategy. I was absolutely certain that the imperialists would create a war of attrition and attack by encircling the forces. It was at that time that the Iraqi command ordered retreat while thousands of planes were flying overhead. The troops had been misplaced even in this conventional war operation. Everyone knows that even in conventional war strategy, troops and equipment can be better utilized. Nevertheless, they did make this enormous mistake. During the withdrawal there was a massacre. The large majority of the thousands of Iraqi casualties were killed on the highways. The fleeing caravans of civilians and military were retreating while

thousands of planes flew overhead. These were the conditions in which the battles were waged [words indistinct].

Nothing of what happened there can be compared with Cuba at all. It cannot be compared to our military strategy, our life-style.

What were the Yankees really trying to avoid? Man-to-man fighting. They tried to avoid this at all cost because politicking does not accept more casualties than a specific number. It is incredible for a great superpower such as this one, that had a superiority of land, sea, and air forces, to be fighting troops that had been badly located because they could be rapidly encircled, for the NATO and U.S. forces to have waited one month to attack. This is incredible. They wanted to avoid a ground war despite having an overwhelming superiority. It had more helicopters, more planes, more artillery, more everything. It had a better information system because the satellites were flying overhead broadcasting everything.

A month went by and they did not attack. The Yankees would have probably preferred to fight with a nonexistent enemy. What is more, they probably wanted to win by relying on terror tactics.

Therefore, we are not particularly concerned about events in the Gulf. If the Yankees encounter us—I hope this will not happen because we have no need to teach them anything at such a high cost; I hope this does not happen because we would have to pay a very dear price—they would see how different it is to fight the same individuals, the same men who with machetes in hand fought in the charges led by [Cuban independence forefathers] Antonio Maceo and Maximo Gomez. [applause]

They would see what the men who fought in the 10-year independence struggle without an ammunition supply, what the men who fought for independence, what this people who ousted tyranny without guns, are really like.

Now, they cannot imagine where these men will be. We have been working many years at this. We have been working at this in all sectors, not only at the military level and at the moral level. We impart a patriotic education system, we uphold our ideals and have a deep sense of the just cause we defend.

This is true today more than ever before because we are among the privileged few who defend one of the more just ideals. We are among the privileged few who defend [applause] a more just social system. We are among the few who are revolted when the word capitalism is mentioned. Those who know what capitalism is truly like cannot feel anything but repugnance, disgust, for this system.

We confirmed this yesterday during the opening ceremony of the international health conference in Cuba through the figures and information that was provided. It is truly astonishing. What a filthy thing capitalism is if people under this system are not guaranteed jobs, health, adquate educational systems; if it cannot impede the corruption of its youth through the use of drugs, gambling, vices of all sorts.

What has capitalism offered the world? Four billion hungry human beings who constitute a true volcano which no one knows when, how, or where it will erupt. This is what capitalism has produced in four centuries. Poverty.... [changes thought]. They have poisoned the seas and the environment. With their squandering of fuels and resources, they have produced an ecological disaster with unknown consequences. Capitalism has not been able to.... [changes thought] Imagine a society based on the ideal that each person must own a car. Imagine if every Chinese owned a car [laughter], imagine this for just one minute; imagine if each Indian citizen owned a car. Well, I ask you: How long would oil last? How long would already very expensive oil last?

To apply this social model to the Third World is absolutely senseless, utter foolishness. If the rest of the world lives like this consuming society, oil will not last even one year, it will not last one year. Moreover, the contamination that this would cause will make life on earth impossible.

Capitalism has no future as a social model; it has no future as anything at all. It is utterly ridiculous, it is a completely unjust system, it is the prevalence of selfishness, it is the law of the jungle. Idiots can still be found [chuckles] who believe that they will resolve their problems through capitalism. [prolonged applause]

There are idiots who still ignore that not only capital, but also capitalists, are needed to work in a capitalist system, or to build capitalism. They even lack capitalists [as heard] because they are experts at exploiting human beings. They want to compete (?with this). [chuckles] All this is completely crazy. Amid universal madness, we must learn to be just and wise. Amid universal madness, we must be absolutely clear, we must have a clear picture of what must be done. This is why today I say that our people have special responsibilities.

Within the special period, we have established priority programs. Among these priority programs is the defense sector. This is a sector that is never neglected—training the people for war, the safety of the people, not only of military units, but the entire people. All this is not neglected a single minute. Our country has been working intensely on this and our efforts in this direction will not diminish a single iota.

Our people have never asked to assume such important responsibilities as those our revolution and our people have assumed. We must simply be able to fulfill these responsibilities. No matter what the existing problems and difficulties, our people and our revolution will fulfill their sacred duties.

There is a philosophy in all this. I will tell you something and I hope no one will ever forget these words: No one but each one of you is the revolution, the independence of the country, the freedom of the country, the honor of the country, the force of the nation.

I think this is a very important thought. Each one of you must say: I am the revolution. I am the revolution. [applause] I am the independence of the country. I am the honor of the country, I am the force, the army of the country; wherever I may be, whether alone or isolated, with a group, with a patrol, with a platoon, with a battalion, wherever I may find myself, even if I am alone. What should you say? The same thing that was said by that small group that remained [in the mountains]: Ours is a just cause; our cause will succeed, no matter if the enemy outnumbers our guns; our cause will succeed. No matter how powerful the enemy may be, our people will succeed. [applause]

This is a very important concept because while there is a man or a woman, there will be a revolution, there will be independence. [applause] There will be a fatherland. There will be force. Wherever they may be, in a mountain, in a dungeon, amidst the ruins of a tumbled building, in a ditch on a street, behind a tree, behind a tree trunk in the mountains, while there is still a man or a woman upholding these ideals and these convictios there will be a fatherland, there will be a revolution. [applause]

This is precisely what the Yankee imperialists should know so that they may know who they are dealing with, who we are, what we are like, what the people they will wage war with are like, what the people they will try to dominate and subject are like.

I think this should be the most important lesson, the number one lesson. This should be the most important law guiding our political and revolutionary education, our Marxist-Leninist education, our communist education. This is the idea and conviction upheld by each man and woman throughout the fatherland. These convictions are the basis of our revolution; these were the convictions upheld before and after the victory of the revolution.

Before the victory, a few months after the Granma disembarkment, the comrades of the directorate who had made a pledge but who had yet been unable to participate in the struggle felt compelled to fulfill the pledge made in Mexico. This is why when we were but a small group in the mountains, they attacked the palace and fulfilled their commitment. They attacked the palace to make their contribution. They attacked the palace to support us.

We were fighting under very difficult conditions. As I have already stated, people must have very strong convictions to bring a group of men in a few cars to storm the palace and eliminate the tyrant. Under such disadvantageous conditions, it would very difficult for them to achieve their objective, but they did not hesitate.

This is why on this 13 March you gather here with so much respect and devotion to honor this heroic deed in which the blood of patriots, the blood of students, was shed. On a day such as this, I felt it was necessary to ponder on these history lessons I have just discussed.

Because nothing could stop us in our effort to return to the country, we fulfilled our commitment. What would have happened if we had failed? Imagine if the ship caught fire; imagine if the guns were lost. This indeed almost happened because we left Mexico while tremendous persecution was going on. An extensive search operation had been launched to find the combatants, the ship, the guns, and everything else. This was the situation when we launched the expedition.

We were not halted by the tempest. We were not halted by the risk of a sinking ship, because despite the fact that the ship was sinking, we never altered our course and still headed for Cuba. We could have sunk on the way. Right, we would sink but we would not go back, not even despite these conditions.

The most important lesson of all these is that we never faltered when we had one rifle to fight 10,000 rifles; one man against 10,000 men. We never lost our trust. We never doubted our decision to go forward precisely because of the convictions we upheld. These convictions are the same that have been upheld by all men since the start of the Cuban independence struggle. These are the convictions upheld by Maceo in Baragua; the convictios upheld on 26 July; the convictions upheld on 13 March; the convictions upheld on 30 November—which had already taken place in Santiago de Cuba; these were the convictions upheld at Playa Giron.

Our men fought the Yankee fleet. I personally witnessed how they were awaiting orders to engage in combat against aircraft carriers, battleships. Our men were tireless. They never hesitated to continue fighting the Yankees had they landed. There were also dozens of airplanes flying over nearby Playa Giron. These were Yankee planes. This was because of the convictions upheld by those who fought at Playa Giron. These convictions were the same defended by those who faced the October crisis when it seemed that the issue would end in a nuclear war. The truth must be told: No one blinked at that time. I do not remember anyone even blinking. An admirable thing. This calls for strong convictions.

These are the same convictions of our internationalist combatants who fulfilled missions in Angola and in other countries. It was the conviction upheld by Cuban soldiers in Cuito Cuanavale who were decorated right there before the end of the battle. This only confirmed that we were completely convinced that the enemy forces would suffer a terrible blow in this battle. These were the convictions upheld by Cuban troops that advanced in southwest Angola.

The pages of Cuban history are filled with examples of these convictions. Today these convictions must be

defended more than ever. This is more true today after the fall of the so-called Eastern European socialist bloc, today in view of the crisis affecting important socialist countries, the crisis affecting the USSR.

Today when our revolution is facing a special period, a difficult period which can become even more difficult if developments in the USSR deteriorate even further—one must read the daily news in the newspapers to keep up to date—because Cuba and the USSR still have strong economic and trade ties. Of course this does not depend solely on the will of national leaders, it will not depend solely on the will of a group of men, but on how the domestic situation is handled. If there are generalized strikes, if some imported products do not arrive on time, if the USSR domestic situation deteriorates even further, the situation in Cuba will also experience a considerable deterioration. This is when we must be reassured by our convictions.

It is just as important to defend these convictions, which we honor today on this historic 13 March, in times of peace—if the current situation we are experiencing can be described as such—as in times of war. What I said earlier today must always be kept in mind: I am the revolution. I am the independence of the fatherland. [applause] I am the honor of the fatherland. I am the force of the fatherland. I am the victory of the fatherland. [prolonged applause, cheers].

Long live the example of 13 March. [people shout: Viva!]

Socialism or death. Fatherland or death. Venceremos. [prolonged applause. People chant: Fidel, our friend, the people are with you!]

Castro Speaks at Primary Health Care Seminar

FL1503182091 Havana Tele Rebelde Network in Spanish 1130 GMT 15 Mar 91

["Summary" of the third day of sessions of the International Health Primary Care Seminar at Havana's Palace of Conventions on 14 March attended by Cuban President Fidel Castro—recorded]

[Excerpts] [Unidentified reporter] Medical achievements and life expectancy in Cuba are comparable to and, in some cases, better than those in highly developed countries.

[Castro] We have things here today that neither Sweden, nor the UK, nor Japan have. What they do have is much more money and resources because they are developed countries, countries that practice unequal trade, countries that do not pay a centavo.... [changes thought] They do not pay one-tenth of what our goods are worth and charge us 10 times more than what theirs are worth. We are funding their health systems. We are selling coffee, raw material, and whatever at a cheap price. We are funding the developed countries' health systems. We should not forget this.

They charge us excessive prices when they sell us an x-ray tube. If they are Swedish.... [changes thought] The truth of the matter is that we buy plenty of things from Sweden. They have good products but they are very expensive. You could buy 10 tubes with what you use to sell a sack of sugar for [words indistinct]; now you cannot even buy one-fourth of a tube at the price you sell a sack of sugar. If the statistics of what they sell to us are analyzed you will see that they sell us their goods at a higher price and pay us less. I do not know when we will be able to.... [changes thought] This is a reality.

Is the diagnostic test to detect congenital malformations of the neural tube conducted on all Swedish pregnant women? Is this done anywhere in the world? Say, is the anti-meningococci vaccine universally administered in Norway? It is universally administered in our country. Is a drop of blood drawn from the navel of each Swedish newborn to see if he has allergies? We have many programs that none of those countries have, regardless of the fact that they are very wealthy. We also say: Will the infant mortality rate be lower than 10 [not further specified] in a tropical country, with a humid and hot climate, on an island where there are a lot of bacteria, fungi, etc.? We ask this question. Genetically, our population's infant mortality rate will be able to be lower than 10. One has to ask this question also. What is the genetic potential of a population? We know today that it is lower than 10; it is quite a bit lower.

[Reporter] The commander in chief made reference to the training of family doctors.

[Castro] The day will come in the not-so-distant-future when all doctors will become specialists. The quality of family doctors will not be compared to any other. In the case of the comrade who spoke here, who said he has been a family doctor in one place for six years.... [changes thought] If you have been six years in one place you know everything about the people and illnesses and everything. This is what we want. We want the general medical specialist and the family doctor to stay there with his patients for 20 or 30 years or whatever. We did not want a doctor who could have a special interest in another field of medicine to have to stay there all his life. As another incentive, he can study a second specialty. He goes there with tremendous experience.

[Passage omitted includes remarks by delegates]

[Reporter] Regarding the impact of the family doctor in the community, our commander in chief said:

[Castro] Well, I believe that if family doctors are in the most remote places in the mountains, it is basically because thousands of kilometers of roads were built. If not, it would have been impossible to take family doctors there. The offices had to be built. Almost all communication problems were solved long before family doctors arrived in those places. What happens is that when the family doctor arrives in any of those places where we could get, where we could build.... [changes thought] Our mountain peasants do not live in villages, they live

isolated from each other. Family doctors have to go from their offices on foot or ride a horse or a mule to get to those places. If a road is needed, you can be sure that the doctor is the first one to start dealing with the party, the People's Government, mass organizations, with everyone. He may be the one who has the greatest influence in solving something that can be solved.

One of the things I told them when I saw off one of the first groups that left for the mountains.... [changes thought] The first places we saturated with doctors were the mountains, after the experience we had with the first 10 doctors sent to the polyclinic which is now a university of knowledge. One has to talk with the people of Lawton or some university professors to be up to date with the family doctor matter. This did not start so long ago. This has advanced considerably. I thought I was up to date and could not believe it. I have not had a lot of contact with the program lately. I myself am amazed by some of the results they have achieved. What I can say is that the impact the doctors have is very big. The results of the family doctors are revolutionary. Infant mortality is lower than 10 [not further specified] every place that there are family doctors.

Since I listened to part of the debate between the Colombian and the American—the two are very well-known people and have a lot of prestige in our country.... [changes thought] I share the view, and I have publicly supported it, that one cannot wait for a revolution to work in the health area. Work can be done to improve health. I have defended the theory that, as a rule, politicians are such bad politicians that they do not care about health. All those politicians in the world—you know where they are [chuckles] and you know many of them—do not care a bit about health. I have said that politicians could be more concerned about health if they were true politicians [words indistinct] but they do not care about health. There are exceptions.

Health is one of the things people appreciate the most. They also appreciate education and many of those things. I insist that to reduce the infant mortality rate from the ones that are at 60 or 70.... [changes thought] One does not know. Do not believe in statistics. Be careful. Statistics are kept very carefully here. If a baby lives one minute after he is born he will be included in the statistics. Statistics are kept well because [words indistinct]. This is why in some other Third World countries one has to ask what percentage of deliveries took place in institutions and at what level are statistics.

I tell you because of the following [words indistinct]. I completely share the view of the American doctor who said that one cannot wait to work to improve health. What are men who love health, who love the population, who love people going to do? They have to fight no matter where they are. Even in hell they have to fight to improve the health of those who are condemned there. That has to be unjust because to condemn an individual to the eternal fire.... [chuckles] [changes thought] To condemn someone for life, for eternity, is not in line with the whole idea of human rights. Even in hell one has to fight to improve health. One does not have to wait to create a paradise or anything else. A paradise is very far away for everyone. That just social regime, that just social regime [repeats] is very far away for many people. I share that view.

Antigua and Barbuda

Cabinet Reshuffles, Resignations Continue

Reorganization Confirmed

FL1503225591 Bridgetown CANA in English 1935 GMT 15 Mar 91

[Text] St. John's, Antigua, March 15, CANA—The Antigua and Barbuda prime minister, Vere Bird, Sr., has confirmed he will reshuffle his cabinet, but made it clear the move was not of his making.

"When you get the report about the new positions, I hope they will know that they themselves ask for it," Bird, Sr. said in Parliament Thursday night. This was an apparent reference to a recent call from within his ruling Antigua Labour Party (ALP) cabinet for a reorganisation of the government.

The 81-year-old leader explained that he did not agree with the call, because some of the ministers were "doing a good job."

"They know what they are doing. They have come here (Parliament) and explain to you their policies. They are strong in their ministries," he said. "If you give a man a ministry and he is giving good service, why should I move him?" the prime minister asked.

He gave no indication of when he will announce the much-talked about cabinet reshuffle, brought on by a joint letter he received from seven rebel ALP parliamentarians last Friday urging him to retire as prime minister because he was, in effect, no longer up to the job.

The letter came after Bird, Sr. opted to read just a 20-minute synopsis of the government's 1991 budget—instead of the entire document, as customary—when the budget was presented to Parliament last Thursday. The incident re-ignited a rift within the ALP administration, with some government parliamentarians using the budget debate Thursday to deal with the issue.

Agriculture Minister Hilroy Humphreys said two of the rebel ALP MP's [members of Parliament] had threatened to walk out of the House if the prime minister, who had recently assumed the finance portfolio following the resignation of John St. Luce, had asked junior finance minister, Molwyn Joseph, or the attorney general, Keith Forde, to read the full text of the budget speech.

"They came to cabinet and they harrassed the prime minister that if he gave [the speech to] the attorney

general or Molwyn Joseph to be read, they will walk out of the House," Humphreys said.

In his defence, the prime minister said, "When I go to England and listen to the throne speech and so on, it is not more than 20 minutes." Bird said in the past, when the full text of the budget speech was read in Parliament, some members fell asleep. "Some of you would be sleeping and would not remember what was being said," the prime minister charged.

In his presentation, Joseph said, "The actual budget estimates have been surbordinated by the events that we face now...I want to call on my prime minister to call every member of his government immediately and solve this problem. The young people of this country, they are confused. Don't we owe to them to close ranks, to sit down (and) discuss, in order to save this government," the junior finance minister said.

Barbuda's representative, Hilbourne Frank, expressed concern about the growing size of the country's national debt, now totalling more than EC $264 million (1 EC dollar equals 37 cents U.S.)

"The national debt must be of some concern to the whole state, because every year it is growing bigger and bigger and there seems to be no end to this growing," Frank said. "I don't think it is good enough for this nation to sit down and to hope for some godfather to come around some time later and wipe off the debt," he said. Antigua and Barbuda, he said, needed some "practical mechanism...to seriously tackle this matter, so that the fears of the nation will be calmed," Frank remarked.

Humphreys said $35 million has been earmarked to service the national debt, and the government is facing a cash flow problem because "a high portion of our revenues have to [be] used to service the debt. Even with this amount, I'm quite certain we are not servicing all our outstanding debts, and for those we are servicing, we are not making any principal payment," Humphreys said.

Home affairs minister, Christopher O'Marde, said the government should move vigorously to reorganise its revenue collection machinery. O'Marde said the present collection system should be revamped.

"I think we need to have numerous tax collecting centres. Our revenue collection is more complicated now than when I was a boy, but we still have the same machinery. I feel greater legal authority can be given to district councils in this question of tax collection. The time has come for local government to be more truly representative of the people's will, and be reorganised according to a revised local government act," he urged. He said there is also need to educate the population about the importance of taxes.

Government backbencher, Dr. Rodney Williams, defended the administation's intention to introduce three new tax measures this fiscal year.

"I think the point has to be made that the choice is ours. Either we collect the $1,000 to run the country, or we go to the IMF (International Monetary Fund), so we are the ones who have to make that decision," Dr. Williams remarked.

Commenting on the leadership issue, Dr. Williams said, "unless they were definite reasons to make one suspect that the prime minister is unable to handle the levers of power and authority, I think it is insulting to challenge his authority."

Newly Appointed Cabinet Listed

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[By Colin James]

[Text] St. John's, Antigua, March 15, CANA—Antigua and Barbuda leader, Vere Bird, Sr., on Friday announced he had reshuffled his cabinet, stripping his son, Lester, of the deputy prime ministership, and creating a Caribbean Affairs Ministry.

The elderly prime minister switched his son, part of a rebel government parliamentary group that had asked him to step down, to the Finance Ministry. Lester Bird had responsibility for foreign affairs, economic development, and tourism.

His father took over the finance portfolio after John St. Luce, a member of the rebel group, resigned February 25, complaining the prime minister had ignored his recommendations for restructuring the government. The Antigua leader, over 80 years old, has assumed responsibility for foreign affairs.

Medical Doctor Rodney Williams, a government backbencher for the past seven years, is the new minister of economic development and tourism. Former Trade Minister Hugh Marshall heads a new Ministry of Caribbean Community [Caricom] and Organisation of Eastern Caribbean States [OECS] Affairs, National Ports and Harbours.

Bird, Sr. told a news conference he had not appointed a new deputy. He gave the impression he would leave the post vacant. The new trade, industry and energy minister is Mowlyn Joseph, formerly the junior minister in the Ministry of Finance. At the start of the year, Joseph was moved from the Ministry of Economic Development.

The cabinet changes, the prime minister reported, are with immediate effect. A cabinet reshuffle was widely expected here after seven members of the ruling Antigua Labour Party wrote a letter complaining of the prime minister's brief budget presentation in Parliament last week and asking him to step down. The prime minister had read only the highlights of the budget, the text of which ran to more than 60 pages.

Bird, Sr. told reporters: "The heat is on, so I have to reshuffle." On Friday, he was heard to say he had been in many fights before and could manage this one.

The prime minister also [announced] the appointment of a new senator, businessman John Meade, who replaces veteran politician Jerry Aska. Aska died recently.

Following is the new-look cabinet:

Vere Cornwall Bird, Sr.—prime minister, minister of foreign affairs, immigration, information.
Lester Bird—minister of finance and social affairs.
Adolphus Freeland—minister of labour and health.
Christopher O'Marde—minister of home affairs and local government.
Reuben Harris—minister of education.
Robin Yearwood—minister of public utilities and aviation.
Hilroy Humphreys—minister of agriculture.
Eustace Cochrane—minister of public works and communications.
Hugh Marshall—minister of Caricom and OECS affairs, national ports and harbours.
Mowlyn Joseph—minister of trade, industry and energy.
Dr. Rodney Williams—minister of economic development and tourism.
Hendy Simon—junior minister in the Ministry of Economic Development and Tourism.

Son 'Not Forming Party'

FL1603183891 Bridgetown CANA in English 1815 GMT 16 Mar 91

[By Colin James]

[Excerpts] St. John's, Antigua, March 16, CANA—Lester Bird, stripped of the deputy prime ministership and given a new portfolio in a cabinet reshuffle Friday, says he is not pulling out of the divided Antigua Labour Party. "I'm not forming a new party," he told the Caribbean News Agency [CANA].

There had been speculation that after a failed bid to get his elderly father, Vere Bird Sr., to step down as prime minister, Lester Bird would launch a political party. "Crossing the floor in Antigua...does not really suit the situation," he said. "The fact that the prime minister does not agree with me and others is all part of the democratic process."

Lester Bird and six other government MPs [members of Parliament] had signed a letter complaining about the prime minister's brief budget presentation last week. Bird Sr., who is over 80 years old, spent under 20 minutes reading the highlights of the budget. The budget ran to more than 60 pages. Traditionally, the entire budget is read.

Lester Bird, put forward by the rebel parliamentary group as the next prime minister, told CANA he had not relinquished ties with the Antigua Labour Party. He admitted, however, that he would have to seriously consider if remaining in the government would damage his credibility. On Friday he was dropped as deputy prime minister—no replacement was named—and given responsibility for finance. [passage omitted]

Bird Sr. told a news conference he had not appointed a new deputy. He gave the impression he would leave the post vacant.

"They say they want reshuffling, so we have reshuffling," the prime minister said as he prepared to announce the cabinet changes. Bird Sr. told the news conference at his official residence he hoped the changes would bring peace to the ruling party.

"The heat is, so (I) have to reshuffle," he told reporters. "...I don't agree to reshuffle ministers for the sake of reshuffling them. We have had enough trouble and I ask the trouble to stop.

"If what I have done here hasn't stopped it, I'm not going to waste any time but additional steps will be taken to make sure Antigua gets some peace." The prime minister complained that "all over the world Antigua's name stinks. Well, we have got to put a stop to that," he added.

The reshuffle followed discovery that officials here had been involved in the trans-shipment of Israeli arms to Colombian drug dealers in 1989. Another son of the prime minister, Vere Bird Jr., had been implicated in the scandal. He was forced to resign, but has stayed on in Parliament. St. Luce has also remained in the party. The former finance minister, a member of the rebel group, said he had no immediate plans to quit the ALP. "When I leave Labour, I am through with politics," he said.

Opposition leader Baldwin Spencer said if Lester Bird and the parliamentarians supporting him formed a new party they would have to face by-elections to stay in Parliament. "The Constitution does not allow anyone to cross the floor and become a member of another party and still retain his parliamentary seat," Spencer explained. Spencer described the reshuffle as "a personal vendetta" against some ministers, including Lester Bird. Spencer said the prime minister's action had not addressed the issues of corruption and the need for restructuring the government.

"The reshuffle solves nothing," he said. "It was done in desperation. What was done does not seriously deal with the question of restructuring in the government and moreover he has not addressed the question of deep-rooted corruption in the administration." He added: "It will now be up to the people to intervene and use the planned (anti-corruption) demonstration on March 23 as a catalyst to ensure we do something about these people."

The government has also come under fire from the Antigua Small Business Association [ASBA]. The association said it had passed a resolution at its general meeting Thursday calling on the government to resign.

"The association feels that V. C. Bird Sr. is no longer competent to be prime minister of Antigua and Barbuda and that the ALP government no longer enjoys the confidence of the Antiguan and Barbudan people, and should therefore resign," the ASNA said in a statement here Saturday.

"The association urges the prime minister and his government to step down gracefully and have the governor general (Sir Wilfred Jacobs) appoint an interim administration charged with the task of preparing constitutional and electoral reforms with a view to rehabilitating the social structure of our country and creating new directions for the economy and politics of our young nation." The association said it deplored "the government's record of corruption and gross incompetence."

It complained that "it is this horrible record of the ALP government that is the direct cause of the grave political instability which characterises Antigua today and has led to the total stagnation of the economy."

Three Ministers Resign

FL1603195691 Bridgetown CANA in English 1940 GMT 16 Mar 91

[By Colin James]

[Text] St. John's, Antigua, March 16, CANA—Three Antigua and Barbuda ministers on Saturday announced they had resigned from the cabinet. They are Lester Bird, Hugh Marshall and Hendy Simon, part of a rebel parliamentary group that had asked Prime Minister Vere Bird Sr. to step down.

In a statement announcing the resignation, "effective immediately", they accused the prime minister of contempt and "scant regard" for people here and in other Caribbean countries. They also said he had ignored the group's "legitimate requests."

Haiti

Supreme Court Appointments Called Violation

FL1503210091 Port-au-Prince Radio Metropole in French 1700 GMT 14 Mar 91

[Excerpts] Jean-Claude Roy, political militant from the Union of Haitian Constitutionalists, thinks that by making such [Supreme Court] appointments, the president exceeded his commission and violated the Constitution for not having first consulted with members of the Senate. [passage omitted].

I was simply surprised when I heard news of those appointments, says Senator Dejean Belizaire. The executive has no right to appoint people at this level without keeping to the spirit of the law and the letter of Article 97 of the Constitution. The head of state is bound by this article to confer with the Senate before making such appointments. [passage omitted].

The matter will be debated today in the Chamber.

Senate Rejects Appointees

FL1503212191 Port-au-Prince Radio Haiti-Inter in Creole 2100 GMT 14 Mar 91

[Text] Out of 27 senators present in the Chamber today, 21 rejected the decision by the government to appoint new Supreme Court judges. According to the senators, such a decision was not in agreement with Article 175 of the Constitution, which defines the terms of government decisions. As far as the senators are concerned, the appointments are invalid. They feel that the government humiliated them and disregarded their rights.

According to Article 175, the president of the Republic makes appointments to the Supreme Court by choosing from a list of three names, drawn up by the senators, for each available seat. For the Court of Appeal and the Magistrate's Court, the list must come from the relevant departmental Assembly.

The senators refused to ratify the decisions made by the government, since they were not informed about them, and therefore had no opportunity to provide input into the choice of individuals appointed to the Supreme Court.

El Salvador

Rebels To Present Peace Plan to Foreign Ministers

PA1603214091 Panama City ACAN in Spanish 1919 GMT 16 Mar 91

[Text] Managua, 16 Mar (ACAN-EFE)—Joaquin Villalobos, leader of the Farabundo Marti National Liberation Front (FMLN), said today that the Salvadoran guerrillas will present an initiative, aimed at speeding up the peace negotiations with the Salvadoran Government, at the "San Jose VII" Conference, which begins in Managua on Monday, 18 March.

The conference, which ends on Tuesday, 19 March, will be attended by foreign ministers from the EEC, Central America, Panama, Mexico, Colombia, and Venezuela.

After meeting with Nicaraguan President Violeta Chamorro, Villalobos said the initiative is aimed at "speeding up the negotiations" that the guerrillas and the government of President Alfredo Cristiani have been holding since last April, under the auspices of the United Nations.

"The talks with the Nicaraguan Government have been beneficial, and we hope to agree on many things with them," according to Villalobos, who refused to give details of the proposal until after it is presented to the foreign ministers.

Today Chamorro received an FMLN delegation, comprised of Villalobos, Jorge Shafik Handal, Salvador Samayoa, and Ana Guadalupe Martinez, who will remain in Managua until the conclusion of the conference next Tuesday, 19 March.

Villalobos said he was optimistic regarding the talks held with the Cristiani government, and he said the FMLN's intention "is to produce results in the negotiations in the short run, which is quite possible."

Clashes between the guerrillas and the Army have worsened in El Salvador, where 33 guerrillas and eight soldiers have been killed and 24 others were wounded in the last 24 hours.

The meeting with the Salvadoran guerrillas was also attended by Presidency Minister Antonio Lacayo, Foreign Minister Enrique Dreyfus, and Government Minister Carlos Hurtado.

Lacayo told the media that Chamorro, since she came to the Presidency on 25 April, "has been interested in attaining peace in Central America, especially in El Salvador."

Lacayo, considered a "strongman" in the Chamorro government, said the Managua government has provided since then "all kinds of facilities" to the Salvadoran guerrillas to carry out political and diplomatic activities in Managua aimed at achieving peace in El Salvador.

Conference observers noted that the presence of an FMLN delegation, at the highest level in Managua, together with the Central American and EC foreign ministers, could foster advances in the Salvadoran peace process. The Salvadoran peace process issue is on the political agenda of the "San Jose VII" Conference.

Alvaro de Soto, UN Secretary General Javier Perez de Cuellar's representative in the conversations between the Salvadoran Government and the FMLN, will also arrive tomorrow.

'Nothing New' in Proposal

PA1703195791 Panama City ACAN in Spanish 1832 GMT 17 Mar 91

[Text] Managua, 17 Mar (ACAN-EFE)—President's Minister Oscar Santamaria, who arrived in Managua today, played down the proposal announced yesterday by the Salvadoran guerrillas, saying that it contains "nothing new" with regard to previous initiatives.

Leaders of the Farabundo Marti National Liberation Front (FMLN) yesterday presented in Managua a proposal intended to "expedite the peace negotiations" with the Salvadoran Government. The guerrilla delegation met with Nicaraguan President Violeta Chamorro, to whom they delivered the proposal, the contents of which has not yet been disclosed.

"The guerrilla proposal contains nothing new; it only seeks to attract the attention of the participants in the ministerial conference to begin Monday," Santamaria stressed.

Beginning on 18 March, Managua will be the site of a ministerial conference called "San Jose VII," in which foreign ministers from Central America and Panama, the EC, Mexico, Colombia, and Venezuela will participate.

The FMLN and the Salvadoran Government have been holding talks since April under UN auspices, with the intention of ending 10 years of war that have caused more than 70,000 victims.

Santamaria, who heads the government's delegation to the dialogue with the guerrillas, has ruled out the possibility of meeting with the rebel leaders who are currently in Managua.

Santamaria said that negotiations with the guerrillas have advanced to a "definitive and crucial phase," adding that "there is no need for improvised meetings with the FMLN."

Santamaria said that the Salvadoran rebels are just "lobbying" for support from participants in the conference.

Joaquin Villalobos, the highest-ranking FMLN leader present in Managua, expressed his optimism about the talks and said that the FMLN's intention is to "expedite the conclusion of the negotiations, which is quite possible."

San Salvador Violence, Disturbances Erupt

PA1503223091 San Salvador Radio Cadena YSU in Spanish 1730 GMT 15 Mar 91

[Text] We have a report on the violence that has occurred since 0950. Regrettably, not even the press has been respected during these violent acts. Several fellow journalists were attacked by police. At this moment the police are breaking up the demonstrations and arresting some of the union leaders. Reports from our units in the area say that at least 15 workers were arrested and others, who are fleeing, are being chased. Traffic is backed up on Juan Pablo Street because some buses are parked across the road. It is regrettable that the authorities did not take the proper precautions. It was announced yesterday that the workers would be evicted this morning if they did not leave the Treasury Ministry buildings. Unfortunately, some children were affected by the tear gas. These events are taking place while international observers, who came for the elections, are still here. This casts a pall on the country's image. We call on our fellow reporters who are in the area to take the necessary precautions so as to avoid being attacked.

Meanwhile, we are still in the general area of the Treasury Ministry, where serious disturbances occurred this morning when national police riot units broke up an Agemha [General Association of Treasury Ministry Employees] demonstration. We want to report that all the union leaders who were arrested by the police have already been transferred to the national police headquarters. We also wish to report that arrests are still taking place at this time. We cannot confirm this, but the national police are reportedly trying to arrest an Agemha member in the area. We regret the incidents of this morning because some union leaders were badly beaten. Some were beaten about the head; others had some hair pulled out; and others were struck in the back or on their legs and arms. Some union leaders and policemen had their faces bloodied. At least 15 union leaders were [five-second break in reception].

The situation appears to be normalizing somewhat, but incidents are still occurring. We repeat, traffic in this area, opposite the court of accounts, is returning to normal, but the police, as well as some Agemha members, are still here.

Finance Minister Comments

PA1503224091 San Salvador Radio Cadena YSU in Spanish 1730 GMT 15 Mar 91

[Telephone interview with Finance Minister Rafael Alvarado Cano by Mauricio Ramirez in San Salvador—live]

[Text] [Ramirez] Mr. Minister, what are your feelings concerning the disturbances that broke out almost two hours ago in the area known as the Finance Ministry galleries?

[Alvarado Cano] I am thankful for this opportunity to address the public. First of all, this entire incident is regrettable. I must inform you that every effort was made to prevent this situation. I have been as flexible as possible. On 14 March I even went a step further, asking the labor minister to meet with the leaders of Agemha [General Association of Finance Ministry Employees] to attempt to find a solution. In addition to this, in my 14 March television network message I asked the employees to reconsider the situation and be prudent.

The public must know and understand that I have never refused to listen to the employees' many complaints. On the contrary, I have been totally open to them and have held meetings with all who requested them, especially with members of Agemha, with whom I have met several times. Last month I met with them on three occasions. At the conclusion of our 6 March meeting, there was no evidence that issues existed that could deteriorate into an incident like this one. This uprising has come as a total surprise, and it is unncessary because the employees need not exert this type of pressure to meet with me. I have always kept my doors open to them. All that is required of any employee who wishes to talk with me is that he request a meeting and it is immediately granted. These people have never had any problem in meeting with me.

Additionally, they have never pointed out problems to me that I did not attempt to solve or explain. I have done the same with other employee sectors, and it is known that I have attended to problems outside of Agemha and that I have solved them to the employees' benefit. Therefore, it is regrettable that this unjustifiable situation had to occur. I believe that tolerance, flexibility, and efforts to work in harmony are hindered when people act irrationally and fail to see that violence and pressure are not the means through which to find solutions.

I believe that through the many meetings, documents, and specific actions that I have carried out, I have proved my desire to listen to the workers' problems and resolve them, and yet this had to happen. Today, as it turns out, the workers said that their actions were aimed at getting me to meet with them, but the fact is that a strike or extreme measures like these are not necessary in order to meet with me. All that is required is that they send me a note, call me by telephone, or approach me personally to request a meeting on any given day, which is the way I have worked for almost two years.

Commandos Announce Operation

PA1503233091 San Salvador Radio Cadena Horizonte in Spanish 1828 GMT 15 Mar 91

[Report by Carlos Driotes]

[Text] Our radio station received a telephone call a few minutes ago from a member of the Modesto Ramirez urban commando units, announcing that an action had taken place against fraud and the imposition of the armed struggle and in support of the people's unity.

Let us listen to a part of the communique issued by the Modesto Ramirez urban commando units:

[Begin unidentified speaker recording] Today at 1000, Modesto Ramirez urban commando units carried out an operation called "Against fraud and the imposition of the armed struggle and in support of the people's unity."

We reject the militarization of San Salvador and the top military command's increased repression, as is the case in the searches at the FUSS [Salvadoran Single Trade Union Federation] and SIES [Trade Union of the Salvadoran Electrical Industry] and the beating of Finance Ministry employees. We reject the capturing of people from the Agemha [General Association of Finance Ministry Employees].

This operation consisted of an overwhelming attack against a 1st Brigade position located at 29th North Avenue and University Boulevard. As a result, there were two army casualties. We regret that a security guard was wounded, because he was not our target. [end recording]

Those were the words of the Modesto Ramirez urban commando units who called our editorial staff over the telephone a few minutes ago and condemned the clash that took place this morning between riot police and Agemha members.

Treasury Ministry Employees Urged To End Strike

PA1603020791 San Salvador LA PRENSA GRAFICA in Spanish 15 Mar 91 p 38

[Communique issued by the Salvadoran Government in San Salvador on 14 March]

[Text] The Government of the Republic of El Salvador informs the public that the strike staged by the Treasury Ministry employees is having the following negative consequences, among others:

1. Over 110,000 government employees will be deprived of their salaries in March, and, to make the situation even worse, the Holy Week break is approaching.

2. The entry and departure of merchandise from national territory has been interrupted, which means that the country's economy will be strangled and El Salvador's entire population affected.

3. Among the products that cannot enter the country because of the strike in question are essential goods such as medicine, which could lead to shortages at public and private hospitals and pharmacies.

In order to prudently resolve this problem, on 12 March the government summoned the strikers and reminded them that it is unconstitutional, criminal, and cause for dismissal for government officials and employees to abandon their jobs, and urged them to return to their jobs on 14 March. This did not happen. On the contrary, instead of working, the employees who came to the Treasury Ministry facilities continued promoting disorder.

The government once again displayed its conciliatory spirit and patience today, when for over three hours the labor and social welfare minister attempted from his office to convince representatives from the General Association of Treasury Ministry Employees to suspend the strike, which, in addition to being unconstitutional and criminal, is damaging to the country and harmful to their own co-workers. However, the "representatives" maintained their stubborn attitude and showed no resolve to negotiate any serious solutions to the problem.

It is the government of the Republic's duty to fulfill and enforce the Constitution and laws, to avoid economic and social chaos, and to defend the government employees' right to receive their salaries on schedule and enjoy the Holy Week break with their families.

In order to do this, the government of the Republic informs the Treasury Ministry employees that the pertinent administrative measures will be applied against all employees who fail to return to work on 18 March, continue to strike, or leave their posts.

Government of the Republic of El Salvador.

General Strike Threatened

PA1603030591 Paris AFP in Spanish 0104 GMT 16 Mar 91

[Text] San Salvador, 15 Mar (AFP)—Several Salvadoran public workers organizations have threatened to go on a general strike because of the government's failure to solve conflicts in four state branches and because of the police repression at a workers' demonstration this morning.

Treasury Ministry employees, who have been on strike for one week, and other state workers staged three protest demonstrations in the streets of San Salvador today to demand that the government of President Alfredo Cristiani increase wages and improve social and labor conditions.

At the same time, militants and supporters of the Democratic Convergence coalition marched for the third consecutive day to repudiate the alleged fraud against that leftist organization during the 10 March legislative and municipal elections.

Mario Cabrera, leader of the National Union of Salvadoran Workers (UNTS), one of the principal labor organizations, accused the government of "politicizing the labor conflicts," and said that the country's situation is "delicate."

For its part, a spokesperson for the General Association of Treasury Ministry Employees said that "if anything is clear in this country, it is that the government does not care about the workers' situation." The spokesperson

condemned the police repression at a demonstration this morning in which at least 12 members of labor organizations were captured or beaten.

The Chamber of Commerce and Industry said that the strike at the Treasury Ministry and its branches, including the customs offices, threatens to paralyze productive activities in the country.

According to Treasury Minister Rafael Alvarado, the authorities will only begin talks with the strikers when they return to work.

Virtually all 5,000 Treasury Ministry employees joined the workers of the striking National Administration for Telecommunications (Antel) in San Miguelito today. The workers blocked traffic in front of the telecommunications office in the northern part of San Salvador.

At the same time, the workers' union of the Public Works Ministry announced that its 24,000 workers may go on strike in the coming hours because the government has not responded to their list of demands.

A similar conflict is faced by the Institute of Supply Regulation (IRA), which is responsible for the marketing of basic grains.

Destabilization Condemned

PA1603033091 Mexico City NOTIMEX in Spanish 0250 GMT 16 Mar 91

[Text] San Salvador, 15 Mar (NOTIMEX)—The Salvadoran Government has accused labor union and political party members of trying to "create an atmosphere of national destabilization" and of being part of the armed movement's strategy.

In a message to the nation that was broadcast over a radio and television network, the administration of Alfredo Cristiani referred to the violent actions that occurred this morning between workers and antiriot groups, which, it said, respond to a political strategy of provocations.

The government also urged the people to "remain calm and reject the extremist groups' violence," and it guaranteed "that the appropriate authorities will act according to the Constitution."

Meanwhile, a second attack occurred this afternoon in an area northwest of the capital, where alleged urban guerrilla commandos machinegunned a vehicle driven by two Treasury Police detectives.

Official sources said that the action occurred at approximately 1600 on the San Antonio Abad Avenue, and the critically wounded agents were taken to a hospital in the capital.

Two members of the 1st Infantry Brigade died this morning when two unidentified men riding in a vehicle machinegunned them while they guarded a bank in the downtown area.

These actions were compounded by the destruction of two vehicles that alleged rebel members burned in different areas of the capital. According to National Police spokesmen, the attacks caused no casualties among the civilian population.

Labor Ministry Mediation Agreed

PA1603042391 San Salvador Canal Doce Television in Spanish 0315 GMT 16 Mar 91

[Text] Labor Minister Mauricio Gonzalez Dubon has said that the leadership of the General Association of Treasury Ministry Employees [Agemha] agreed yesterday to accept the Labor Ministry's mediation in the conflict, therefore, he does not think that confrontations like those of this morning between workers and antiriot policemen are necessary.

Gonzalez Dubon said that two demands have been made: higher salaries and a hospital. The Treasury Ministry is already working on these two points, he said.

[Begin Gonzalez Dubon recording] The Finance Ministry has carried out a salary-leveling analysis. This has already been done in other ministries. This is being done by each of the ministries for the benefit of their personnel, without detriment to the salary increase approved last year or to the salary revision that will be made on 30 June of this year.

Regarding the other point, a hospital where employees and their spouses and children may receive hospital attention, the Treasury Ministry has already prepared a report on this and has already signed a contract with those who will provide medical services. [end recording]

Minister Gonzalez Dubon said that the workers should avoid confrontations because this time, they are not right.

[Begin Gonzalez Dubon recording] The strike is completely illegal. This does not have to be declared so by any authority of the country because this is established in the labor code, which is based on the Constitution. Therefore, we cannot say we have a strike when what we really have is an unconstitutional interruption of work. [end recording]

The minister also said that according to information he has received, this morning's riots occurred because the workers provoked antiriot policemen.

Treasury Minister Comments

PA1603044991 San Salvador Canal Doce Television in Spanish 0315 GMT 16 Mar 91

[Report by Ervin Ortiz in San Salvador—passages within quotation marks are recorded]

[Text] After employees in charge of the payroll entered the Treasury Ministry installations, the government announced today that it will start paying public

employees' salaries on Monday. The payroll includes 110,000 public employees who should have received their pay on 13 March.

Meanwhile, Treasury Minister Rafael Alvarado Cano criticized the labor union members' attitude, and he urged them to call off the strike and to start negotiations. According to the minister, the workers will not be able to achieve their goals if the strike continues and he added that, quite the contrary, they might be fired.

The treasury minister's statement was made at a time when the strike is several days old, and important events have occured in the public employees' lives. Rafael Alvarado Cano mentioned today's events and said that the government was not seeking a confrontation. He also said that the presence of the military at the site is a result of their constitutional duty to guarantee public order.

[Cano] "The decision was made to guarantee the public offices' security, stability, and order. Therefore, the government made the decision to protect the installations."

The official said that the government is willing to talk with the workers provided that they show up normally for work. Otherwise, they might be fired.

[Cano] "We told them that if they give us a letter stating that they have rescinded the decision to obstruct activities, and they request a meeting with us—the letter must be sent today—I would be willing to see them on 18 March. In other words, if they change their attitude today I might meet with them on 18 March.

In other words, when I say that I might meet with them, it means that I have yet to make a decision about firing or replacing them, because I am asking them to meet with me—and I would not be able to do it if they were fired."

The minister said that there is a limit to everything and that was demonstrated today. He implied that corrective measures, which include suspensions and salary cuts, will be carried out before starting the dismissals. He added that the ministry is working on a process to review salaries, taking into consideration categories and levels.

[Cano] "We might be able to submit—and, God willing, have them approved—these reforms to our salary law by April. In fact, on 6 March we scheduled a meeting with Agehma [General Association of Finance Ministry Employees] directorate board members for today to tell them about the progress achieved and give them details about the final form of this salary reorganization. That is why I say that we were quite surprised to see ourselves in this situation when we had even reached an agreement about a program."

He also said that the payment of public employees' salaries, which had been delayed by the suspension of activities, will be completed next week.

The workers decided to leave the Tres Torres installations around noon. Minister Cano's reaction to the workers' demands was not to give in to pressure. The workers have adopted a similar, somewhat unbending, position. They said that if their demands are not met the strike will not be called off, and it will continue for many more days, despite the threats about dismissals next week, and despite the arrests carried out today by the security corps.

Election Fraud Charged

PA1603153791 Panama City ACAN in Spanish 1350 GMT 16 Mar 91

[Text] San Salvador, 16 Mar (EFE)—Labor tension increased in El Salvador following clashes between police and strikers on Friday, 15 March. Moreover, charges of election fraud have surfaced in the wake of the 10 March elections.

At least three policemen and 10 workers were injured, one of them shot, and more than 20 labor union members were arrested in downtown San Salvador after Finance Ministry employees tried to prevent the detention of several fellow workers.

Meanwhile, opposition parties continue to air allegations of a possible election fraud designed to favor the ruling party, the right-wing Nationalist Republican Alliance (Arena). They question the slow vote count in the wake of legislative and municipal elections held on 10 March.

Some 4,800 Finance Ministry employees have been striking since 7 March, and tensions have increased during the week because of the failure of negotiations with the government.

Among other demands, the employees want higher wages, greater health benefits and improved labor conditions. The employees also seek 100-percent retirement benefits, for workers with over 30 years of service.

Pending the resolution of the labor dispute in the Finance Ministry, one of the country's major labor unions, the National Union of Salvadoran Workers (UNTS) has announced that work stoppages will begin in various government institutions on Monday, 18 March.

UNTS leader Mario Cabrera said, "we the workers are tired of being shot at when we make demands and we will take all necessary measures."

Another important labor union, the National Peasant-Worker Unity (UNOC), which claims to represent 500,000 workers, threatened to call a staggered strike [peros progresivos] in support of the Finance Ministry employees beginning on 18 March.

National Administration for Telecommunications (Antel) employees, suspended their work activities yesterday to protest the 15 March incidents.

Moreover, on 15 March, the leaders of the leftist coalition, Democratic Convergence, reiterated charges of fraud against ARENA.

The Central Electoral Council (CCE) is conducting a slow vote count, therefore the final election results may not be announced until next week.

On 17 March, elections for mayor and deputy will be held in the municipality of Nueva San Salvador, near the capital, where the elections could not be held last Sunday because the ballot cards did not include the flag of the Democratic Convergence.

Legislative and municipal elections will also be held in the municipalities of California in Usulutan Department, and Semsembra, Morazan Department, where the guerrillas prevented balloting.

Rebels Threaten Infrastructure

PA1803130591 San Salvador Radio Cadena YSKL in Spanish 1220 GMT 18 Mar 91

[Text] Urban guerrilla units have said that they will intensify their dynamite and incendiary attacks on the state-owned infrastructure until the government resolves the labor problems at the Treasury Ministry. Through a telephone call to the YSKL's news center, rebels from the Modesto Ramirez Front said that if the labor situation is not resolved, everything that is state-owned will become a military target.

50 Military Casualties in 15 Mar Clashes

PA1603030091 Paris AFP in Spanish 0141 GMT 16 Mar 91

[Text] San Salvador, 15 Mar (AFP)—According to the Salvadoran rebels, fierce clashes between guerrilla forces and Army troops in different parts of El Salvador today caused over 50 casualties among the government troops, including 11 dead. The rebels also claimed responsibility for two attacks on military personnel in the country's capital and for acts of sabotage to the electrical system.

The Farabundo Marti National Liberation Front's (FMLN) Radio Venceremos reported that clashes began at 0900 (1500 GMT) and continued until after sundown in San Agustin, in the eastern Usulutan Department. The rebel radio station stated that in those clashes the army suffered 19 casualties, including three dead.

The radio added that five other soldiers died and 15 were wounded in La Laguna, in the northern Chalatenango Department, but it did not mention any rebel casualties.

The rebel bulletin also said that the 5th Military Detachment suffered seven casualties during clashes in the central Cuscatlan Department, and one soldier died and two others were wounded in San Jose Guayabal, north of San Salvador.

The FMLN claimed responsibility for the deaths of two 1st Infantry Brigade soldiers and the wounds inflicted on two Treasury policemen during two attacks carried out this afternoon in different parts of San Salvador.

The rebels also claimed responsibility for sabotaging 19 electrical pylons and towers in the central and eastern parts of the country, which forced authorities to ration electricity in several areas.

'Nearly 60' Dead

PA1603175591 Panama City ACAN in Spanish 1626 GMT 16 Mar 91

[Text] San Salvador, 16 Mar (ACAN-EFE)—Government and Red Cross sources today reported that at least 33 guerrillas and eight soldiers were killed, and 24 civilians and soldiers were wounded in battles and other violence in El Salvador during the past 24 hours.

Thus, since the end the three-day cease-fire declared by the guerrillas to honor the 10 March elections, nearly 60 persons have died and more than 90 have been wounded.

Despite the increase in military actions and other acts of violence, the guerrillas of the Farabundo Marti National Liberation Front (FMLN) have denied Salvadoran Army reports that the rebels are planning a new large-scale military offensive.

Concerning the past 24 hours, the Army said that 25 rebels and 5 soldiers were killed, and an additional 10 soldiers were wounded during 15 March clashes in San Agustin, in eastern Usulutan Department.

The Armed Forces Press Committee (Coprefa) has reported that five guerrillas and three soldiers were killed and another soldier was wounded in clashes in Dulce Nombre de Maria, in northern Chalatenango Department.

Three rebels were killed and two soldiers were wounded in fighting near San Jose Guayabal, in central Cuscatlan Department. Two soldiers were wounded in a rebel attack on military positions in El Rosario, in northeastern Morazan Department.

FMLN urban guerrillas also attacked a military vehicle in San Salvador, wounding two policemen, Coprefa added.

Meanwhile, the Salvadoran Red Cross reported that seven civilians, including a former soldier, were wounded when a grenade exploded in a neighborhood in Soyapango, east of San Salvador.

D'Aubuisson Criticizes Slowness of CCE

PA1503134591 San Salvador Canal Doce Television in Spanish 0300 GMT 14 Mar 91

[Text] Arena [Nationalist Republican Alliance] leader Roberto d'Aubuisson has criticized the slowness with which the Central Electoral Council [CCE] is handling

the final vote count, although he noted that the departmental electoral boards are also responsible for this anomaly.

D'Aubuisson, Arena founder and its ranking leader, has criticized CCE procedures in tallying the final vote count and reporting the results of the recent elections. Major Roberto d'Aubuisson did not blame just the CCE for this anomaly. He also blamed the departmental electoral boards, which, according to him, are involved in the process of reporting the results.

[Begin D'Aubuisson recording] We sent a note to the CCE to expedite the vote count and increase the participation of council members. This will facilitate the solution to any problem that may appear.

This is not the sole responsibility of the CCE, but also of the departmental electoral boards and the parties, which must have all the material to sit down and complete the final vote count. The final vote count has already begun and I believe that we are moving in the right direction.

The law establishes that the vote count should begin 48 hours after the elections. The vote count began in the afternoon of 12 March, 48 hours after the polls closed. [end recording]

Meanwhile, D'Aubuisson flatly denied allegations by the Democratic Convergence [CD] concerning electoral fraud.

[Begin D'Aubuisson recording] Perhaps fraud is on the mind of those who are publicizing it. They have not presented any evidence. We are well aware that the CD came in third at the national level. According to the proportional distribution of the seats at the Legislative Assembly, however, the PCN [National Conciliation Party] obtained regrettably more votes. Dr. Zamora knows this very well. Thus, we are amazed to see him arguing something that cannot be defended. He is now defending something that cannot be defended. [end recording]

Maj. Roberto d'Aubuisson said that Dr. Zamora knows perfectly well the regulations of the Legislative Assembly. According to Legislative Assembly regulations, the PCN is entitled to have the majority in Congress. D'Aubuisson did not, however, deny that the CD ranks as the third political force in the country.

Rebels Report on Military Activity 1-9 Mar

PA1503140891 (Clandestine) Radio Farabundo Marti in Spanish to El Salvador 2100 GMT 9 Mar 91

[Text] In nine days of fighting, the National Army for Democracy [ENPD] inflicted on the Army 290 casualties—dead and wounded—including five officers, four noncommissioned officers, and one radio operator. Six prisoners of war were captured, but four were set free. We are holding soldiers Dolores Navarro Peralta and Antonio Salazar Guillen, who belong to Military Detachment No. 1. These soldiers will soon be set free.

During this same period of time, we have seized the following war materiel: 30 M-6 rifles, two 90-mm cannons, two M-60 machine guns, and three PRC-77 communication radios. In addition, 24 power pylons—posts and towers—were sabotaged by the ENPD sappers.

Actions that stand out during these nine days are as follows: the annihilation operation against Military Detachment No. 1's Sumpul Battalion troops at the Cerron Grande Dam, called "Halt the Armed Forces' Repression and Terror Against the People" [Alto a la Represion y al Terror de las Fuerzas Armadas en Contra del Pueblo] carried out 1 March. The Sumpul Battalion sustained 106 casualties during the operation. In addition, six prisoners of war were captured and war materiel was confiscated. There were other actions on 1 March, especially noted was the heavy attrition inflicted on the Atlacatl Battalion.

During the first nine days of March, we also want to point out the heavy attrition of the Atlacatl Battalion in Chalatenango. These troops have sustained 83 casualties in only nine days of fighting.

Finally, we want to note the deadly attack launched by the urban commandos against the Public Security Academy in Santa Tecla, where two officers are counted among the casualties. In addition, during these nine days, 15 municipalities were taken over by our guerrilla forces. We regret to report that during this period of time, our comrades Rene, Elizabeth, Dimas, and Alcides were killed in action.

As long as the Army continues to insist on occupying our areas, we will fight them with blood and fire to prevent them from repressing the civilian population.

Guatemala

President Willing To Sign 'Total Peace' Accord

PA1603194391 Panama City ACAN in Spanish 1809 GMT 16 Mar 91

[Text] Guatemala City, 16 Mar (ACAN-EFE)—Guatemalan President Jorge Serrano has announced he is willing to sign a "total peace" agreement with the guerrillas in Oslo shortly, and he urged the rebels to participate in drafting the definitive documents to end the armed conflict.

Government spokesman Gonzalo Asturias told ACAN-EFE today that President Serrano has reiterated his willingness to reach an agreement with the Guatemalan National Revolutionary Unity (URNG), within a framework of justice. He added that the Guatemalan Government recognizes and will fulfill in good faith the agreements that were signed with the URNG in the Norwegian capital which establish direct talks with the guerrillas.

President Serrano believes that after last year's talks between the guerrillas and the various Guatemalan sectors, he must now fulfill his responsibility to conclude the pending talks.

The "total peace" agreement with the rebels would be signed in Oslo, in commemoration of the beginning of the peace process begun on 30 March 1990.

Asturias has indicated that Serrano believes that peace can be attained at this time and that rifles and machine guns can soon be traded for hoes, machetes, and tractors.

The official said that during the first 60 days of the Serrano administration there has been continuous communication with the URNG through the National Reconciliation Commission (CNR).

Asturias stressed that Serrano has thanked Frances Vendrell, the observer of the UN secretary general, and Bishop Rodolfo Quezada, chairman of the CNR, for their efforts so that peace will come to Guatemala without delay.

Nicaragua

Government, Labor Unions Continue Negotiations

PA1603010591 Paris AFP in Spanish 2333 GMT 15 Mar 91

[Text] Managua, 15 Mar (AFP)—Government and labor union sources have reported that the Nicaraguan Government and Sandinist labor unions will continue the negotiations they initiated yesterday in order to end almost two months of strikes in hospitals, custom houses, and other labor sectors throughout the country.

These is the first meeting that the two sides have held since the implementation of the economic adjustment plan, which the Sandinist labor unions consider unacceptable.

The government is being represented at the negotiations by Minister of the Presidency Antonio Lacayo, Vice Minister of the Presidency Antonio Ibarra, Labor Minister Francisco Rosales, and Health Minister Ernesto Salmeron.

The labor unions, comprised of the National Workers' Front, are being represented by Lucio Jimenez, Jose Angel Buitrago, and others.

The labor strike at the hospitals and custom houses, which began before the announcement of the economic measures, continued today. The workers are refusing to go back to work as long as there is no salary increase.

The conflict that began on 11 March at two Managua hotels and at Sandino Airport ended today when employees secured a 407-percent salary increase.

The government and labor leaders began meeting on 14 March in order to find ways to end the protests, but the meeting ended in the early hours of the next morning without any kind of agreement other than to continue the meeting the next day.

The labor unions, which last week were demanding a 600-percent salary increase, have become more flexible and reduced their demands to a 425-percent salary increase, it has been reported.

Meanwhile, the government has reiterated its proposal for a 200-percent salary increase and asked that its economic stabilization plan be granted a 10-week trial period.

Convention Center Seized

PA1603172491

[Editorial Report] Managua Radio Sandino in Spanish at 1200 GMT on 16 March carries a 15 minute report on the wave of strikes and labor unrest.

At 1206 GMT labor leader Luis Aguirre, contacted by telephone at the Augusto Cesar Sandino Airport, said the airport workers' strike continues despite government repression that has prevented the "a general strike." Asked if the airport was open, Aguirre said: "yes, because the control tower is militarized." Concerning the situation at Aeronica (Nicaraguan Airlines), he said: "According to the latest reports from our fellow strikers in Aeronica, all domestic and international flights have been canceled."

At 1209 GMT Radio Sandio reported that the unions of four commercial banks and the Central Bank which comprise the Federation of Banking Employees, have agreed to stand firm on its their demands for wage increases, "regardless of any agreements between the government and the National Workers' Front (FNT)." The report adds that union leaders could not meet with the Central Bank management yesterday because its president, Raul Lacayo, had traveled abroad. Labor Leader Iino Areas said that they "would continue presenting their demands to Raul Lacayo and Presidency Minister Antonio Lacayo, even if an agreement is reached with the FNT."

The station also reports that on 11 March "the Federation of Banking Workers had decided that the strike would be extended to all banks throughout the country." It adds that the National Development Bank workers in Bluefields, Puerto Cabezas, and San Carlos joined the strike on 15 March and that the National Development Bank employees in Masaya, Rivas, Jinotepe, Matagalpa, Boaco, Juigalpa, Esteli, and Granada will strike on 18 March.

At 1212 GMT Journalist Gabriela Quezada reports that "at this time, the FNT and the government's economic cabinet are meeting at the Presidential Palace negotiating a wage increase."

At 1216 GMT, Radio Sandino reports that health workers are still waiting for the government to reply to

their demand for wage increases, as well as medicines and medical supplies for hospitals. It adds that several doctors have been on a hunger strike for 24 days.

At 1220 GMT, Radio Sandino contacts striking labor leader Ramon Obando at the Olof Palme Convention Center who reads a communique sent yesterday to the delegates participating in the San Jose VII Conference:

"The employees of the Olof Palme International Convention Center (Sicop) regret to inform you that we have decided to go on strike after trying all legal mechanisms in an attempt to receive a positive reply to our demands for wage increases. We regret any inconvenience that our decision may cause, particularly because the authorities have informed us that the police will be sent here. We do not wish to disrupt the San Jose VII meeting, but we have no other choice. Sincerely, Sicop workers."

Aeronica Flights Suspended

PA1603133491 Managua Radio Sandino in Spanish 1202 GMT 16 Mar 91

[Text] All Aeronica airlines flights have been suspended due to workers' strike. All national and international Aeronica flights have been suspended since yesterday, 15 March, when employees went on strike after issuing unsuccessful demands for higher wages.

Administrative and technical personnel as well as pilots took the drastic action after the failure of yesterday's talks with Construction and Transportation Minister Jaime Icabalceta. Since the beginning of the workers' strike on 12 March, flights to the Atlantic coast were suspended; the situation became worse yesterday when scheduled flights to Costa Rica and Panama were canceled. Today all other flights, including those to Mexico and Miami, were grounded.

In keeping with the FNT [National Workers Front] demand for a 4.15 percent wage increase, some 300 Aeronica employees are asking for higher wages

The suspension of the Aeronica flights is causing the company to lose several thousands of dollars [figure as heard], thus further aggravating its critical financial situation.

Increased Military Activity

PA1603140191 Managua Radio Sandino in Spanish 1232 GMT 16 Mar 91

[Text] Military mobilization in Managua has been intensified over the past 24 hours.

Last night, soldiers were seen patrolling the streets in civilian cars. Apparently, this measure was adopted to protect government buildings. Early this morning, military trucks were seen heading to the northern road. Police forces have been concentrated at the Ajax Delgado Center. So-called antiriot troops have been mobilized for more than a week, and have participated in various actions to dislodge workers who have occupied government installations.

Workers have been demanding wage increases following announcements of economic adjustments which, according to them, have reduced their purchasing power by 40 percent.

Yesterday, antiriot police dislodged approximately 20 workers who had occupied part of the Palace of the Revolution [palacio de la revolucion].

Port Workers Strike

PA1603144091 Managua Radio Sandino in Spanish 1250 GMT 16 Mar 91

[Text] We have learned that at 0700 today, port employees in Corinto, Sandino, Granada, San Juan del Sur, Arlen Siu, Bluefields, and Puerto Cabezas will go on strike due to the intransigency of ENAP [National Ports Enterprise] Director Uriel Arguello, who has refused to authorize a 300-percent wage increase.

Ramiro Cortes, secretary general of the Federation of Unions of Port Employees reported today that the decision to go on strike was made last night after negotiations with ENAP failed.

On Monday, the strike of port workers will be extended to ENAP's main offices. The strike will be supported by an independent union, which has been demanding wage increases under the leadership of UNO [National Opposition Union] Deputy Zacarias Hernandez, who yesterday [15 March] notified the Labor Ministry of the workers' decision.

Yesterday, ENAP workers rejected a management proposal for a 20 percent wage increase. The proposal was considered ridiculous, because it actually means that a janitor would receive 30 gold cordobas and a secretary 70 cordobas.

In view of the inflexible position of ENAP Director Arguello, there are rumors circulating among Sandinist unions and the CUS [Confederation for Trade Union Unity] that he could be removed from his post by the government.

Police Retake Convention Center

PA1603154891 Panama City ACAN in Spanish 1430 GMT 16 Mar 91

[Text] Managua, 16 Mar (ACAN-EFE)—Government sources have reported that dozens of policemen today dislodged strikers who at dawn had seized the Olof Palme Convention Center, site of the "San Jose VII" conference.

An undetermined number of workers had decided to occupy the convention center in Managua to pressure the government into accepting their demand for wage increases.

After the building was seized, the authorities reacted by ordering the police to remove the workers.

A group of about 50 strikers is now in front of the Luis Alfonso Velasquez park, located close to the convention center.

Another group of policemen last night removed by force from the National Palace in Managua strikers who had been occupying the offices of the General Revenue Directorate for the past few days.

The police took their action as negotiations between the government of President Violeta Chamorro and leaders of the Sandinist-leaning National Workers' Front (FNT) to find solutions to the strikes in various government institutions continue.

Strikes for higher wages have affected the Finance and Health Ministries, customs offices, state banks, the state-owned electric power company, and the state-owned airline. The latter has suspended its local and international flights.

No Agreement; Talks Continue

PA1703024091 Hamburg DPA in Spanish 2303 GMT 16 Mar 91

[Excerpts] Managua, 16 Mar (DPA)— The government and the powerful, pro-Sandinist Nicaraguan National Workers' Front (FNT) failed to reach an agreement today after three days of talks on salary increases. They decided to suspend the conversations temporarily.

FNT leader Lucio Jimenez said that the government is not yielding to the workers' demand to increase the health workers' wages up to 425 percent, following a 400-percent devaluation of the national currency on 3 March.

Danilo Lacayo, spokesman for Violeta Chamorro's government, said that the reason for the suspension of the meeting between the FNT and the government economic team, headed by Presidency Minister Antonio Lacayo, was that those involved were exhausted after almost 20 hours of negotiations.

The government spokesman announced that the talks will resume at noon tomorrow. [passage omitted]

A strike by port workers has been announced for the next few hours to force the government to improve wages after fixing the minimum wage at $40 [per month]. [passage omitted]

Union Sources Report Agreement To End Strikes

PA1703183691 Paris AFP in Spanish 1741 GMT 17 Mar 91

[Text] Managua, 17 Mar (AFP)—Labor sources today reported that the Nicaraguan Government and the Sandinist unions have reached an agreement to end the strikes over higher wages that began in various sectors of the economy 15 days ago.

The authorities apparently yielded to strikers' demands for wage hikes which were initially placed at 600 percent but were subsequently scaled down to 425 percent.

Although no document was signed when the negotiations were concluded on the evening of 16 March, Lucio Jimenez, the main trade union leader, said that 90 percent of the 17-point proposal presented to President Violeta Chamorro's government was approved.

After 3 March, when the government announced the implementation of a harsh economic adjustment plan, which included a 400 percent currency devaluation, protests against the plan coincided with the outbreak of strikes, the occupation of building, the suspension of public services, and marches by students, teachers, and bank workers.

The strikes had spread to the Finance Ministry, banks, hotels, and ports.

Three Managua hospitals were closed today and 21 doctors and nurses continued the hunger strike they began 24 days ago. Health sector unions refused to call off the strike if the salary increases do not include them.

FMLN To Disclose Peace Proposal During Summit

PA1703145891 Managua Radio Sandino in Spanish 1330 GMT 17 Mar 91

[Text] Today in Managua the Salvadoran Farabundo Marti National Liberation Front, FMLN, will disclose specific points of a proposal presented yesterday to Nicaraguan President Violeta Chamorro. The proposal seeks to find a negotiated solution to the 11-year war that has caused the death of hundreds of thousands of Salvadorans, the majority of whom have been civilians.

The presence of members of the FMLN General Command in Managua coincides with the foreign ministers meeting that is scheduled to begin tomorrow in this capital. The meeting will be attended by foreign ministers from the EC, Central America, Mexico, Venezuela, and Colombia.

Ortega Sends Message to EEC-C.A. Conference

PA1703171491 Managua BARRICADA in Spanish 16 Mar 91 p 5

[Message from former President Daniel Ortega to delegates of the Seventh Central America and EEC conference in Managua—dated 15 March 1991]

[Text] Managua, 15 March 1991

Dear Friends:

The National Directorate of the Sandinist National Liberation Front [FSLN] extends its greetings and welcomes you to the land of Ruben Dario and Augusto Cesar Sandino.

We are honored that the Seventh Conference between Central America and the EEC is being held in Nicaragua. Colombia, Mexico, and Venezuela are also in attendance.

The FSLN National Directorate, which has led the struggle for democratic achievements in the political, economic, and social areas, today demands that the international community give some breathing space to Nicaragua.

Such respite would permit the country to immediately obtain the essential resources to support the process of stabilization and justice so that the heroic Nicaraguan people can strengthen and develop the new model they have been building since 19 July 1979.

Such respite would give Nicaragua preferential treatment in the development of economic and financial cooperation with each of the countries participating in the conference.

It is imperative that the international community grant the Nicaraguan people preferential treatment. We also hope that the governments and organizations represented at this conference will express support for the solution of our country's debt problems with the international financial community.

Confident that the Nicaraguans will be heard and helped, I greet you on behalf of the FSLN National Directorate.

Fraternally,

Daniel Ortega Saavedra

Panama

Second Noriega Extradition Request To Be Filed

PA1603012691 Panama City Circuito RPC Television in Spanish 2319 GMT 15 Mar 91

[Text] The Panamanian Government will send the U.S. Government an extradition request for ousted dictator Manuel Antonio Noriega so that he can be tried for the murder of opposition member Hugo Spadafora in 1985. Foreign Ministry legal adviser Julio Berrios has said that the request will probably be submitted to the U.S. Embassy on 19 March. Berrios said that this is the second extradition request that Panama has submitted to the United States.

The same procedure was done when Noriega was charged with human rights violations. Noriega is currently at the metropolitian correctional center in Miami awaiting trial on charges of drug trafficking and money laundering. He surrendered early in 1990 to U.S. troops.

City Police Temporarily Halt U.S. Army Convoy

PA1703012091 Panama City ACAN in Spanish 1347 GMT 16 Mar 91

[Text] Panama City, 16 Mar (ACAN-EFE)—Official sources reported today that a five-truck U.S. Army convoy transporting armed troops was temporarily halted by the Panamanian police in Panama City on 15 March, because it lacked an escort.

The caravan of military vehicles was only allowed to continue when a Panama Police patrol car was arranged to accompany the convoy to its destination, as the current treaties between the two countries specify.

These types of incidents were frequent during the previous Panamanian regime under Manuel Antonio Noriega, but this is the first time that this has happened since the U.S. invasion in December 1989.

The Pentagon's Southern Command has its general headquarters in Panama with about 10,000 troops, whose presence is regulated by the 1977 Canal treaties.

Ministry Communique on Joint Police Patrols

PA1603041391 Panama City EL PANAMA AMERICA in Spanish 15 Mar 91 p 1-a

[Communique issued by the Foreign Ministry in Panama City on 14 March]

[Text] Some media have reported that the minister of foreign relations told a visiting group of journalists that between September 1990 and the present, 50 U.S. soldiers have been conducting patrols or courtesy patrols in Panama City. This is not true, however.

What the minister of foreign relations said was that between 30 September and December, fifty (50) military policemen in Panama City and five (5) in Colon City provided support to the Panamanian police through joint patrols.

Therefore, no joint police patrols have been performed in the cities of Panama or Colon since December 1990.

Issued in Panama City on 14 March 1991.

Linares on U.S. Agreement on Joint Naval Patrols

PA1703005191 Panama City LA PRENSA in Spanish 15 Mar 91 p 1

[Report by Zoila Rodriguez de Jovane]

[Text] Foreign Minister Julio Linares has said that the Foreign Ministry will work out the final details for an

agreement to be signed between Panama and the United States for the joint patrolling of Panamanian territorial waters.

Linares, who attended a meeting of the Legislative Assembly's Foreign Relations Commission to justify the reasons Panama has for accepting the boarding of vessels under Panamanian flag by U.S. officials when it it suspected that they could be carrying drugs, said that the Foreign Ministry, and not the Government Ministry, has the last word.

Government officials have claimed that the responsibility for an agreement on the patrolling of our national coasts lies with the Government Ministry. The National Maritime Service, which will participate in the patrolling, is under the Government Ministry.

"According to the original draft document, the Foreign Ministry is responsible for that treaty, which not only has to be signed by the foreign minister or his representative authorized by President Guillermo Endara, but also has to be approved by the Legislative Assembly," Linares stressed.

Linares referred to charges made by state university students who say that diplomatic posts are being given to fellow party members, relatives, and friends of the government to the detriment of the foreign relations service and Panama's international image.

"I believe that anyone protesting nepotism should provide specific examples," Linares noted.

Argentina

Salaries Top Agenda of Military Budget Debate

PY1703222091 Buenos Aires BUENOS AIRES HERALD in English 16 Mar 91 p 11

[Excerpt] (NA-DYN)—Army Chief-of-Staff Martin Bonnet yesterday closed the first meeting of the Army high command in 1991, which brought together generals from around the country for 48 hours.

The generals reviewed all questions concerning the Army budget, troops, materiel and plans for defence sector privatizations.

Insiders said salaries topped the agenda of the budget debate in view of growing concern in the ranks over the drop in real wages.

The sources explained that recent pay adjustments were being paid out in several installments and had failed to meet expectations.

Bonnet briefed the generals on his efforts to raise a satisfactory wage proposal to the Economy Ministry.

Bonnet also said the force would "keep working to consolidate the democratic system," while focusing on the modernization plans announced last December.

Defence Minister Antonio Erman Gonzalez meanwhile admitted the government was studying possible wage increases for the military that would "reconcile the difficult situation of the Treasury with that of officers."

Gonzalez admitted that the Armed Forces had received a significant hike after last month's adjustment of wage scales and the incorporation of lump-sum bonuses—which often accounted for 50 percent of their overall income. Incorporating the bonuses implied hiking allowances and retirement contributions but take-home pay was not significantly altered, hence the pressure for new adjustments, explained Gonzalez.

The minister made these statements after inaugurating the new term of the National Defence School, with the participation of the three Armed Forces chiefs-of-staff and Joint High Command head Emilio Osses. [passage omitted]

Court Warns Army of Plot To Kill Rebel Leaders

PY1703221291 Buenos Aires BUENOS AIRES HERALD in English 16 Mar 91 p 1

[Text] (NA-DYN)—The Federal Court warned the Army and police yesterday of a possible plot to kill the leaders of the carapintada [painted face] military rebel faction, now being held for their part in the December 3 coup attempt.

Federal Judge Juan Rodriguez Basavilbaso notified government agencies after receiving a report about the alleged plan from Juan Carlos Torregosa, attorney for rebel Army officer Pedro Edgardo Mercado.

Torregosa apparently told the judge that various groups and organizations allegedly linked to the government, were mounting a campaign against the former military leaders.

In related news, it was reported that sectors linked to the Army appeared to be behind a plan known as "Christ Overcomes" or "Christ Will Overcome," apparently set up to free the carapintadas, including Colonel Mohamed Ali Seineldin and others imprisoned after the military rebellion.

According to Torregosa, the operation could have been planned to save the former military leaders from an attempt on their lives, or simply to shake up their prison guards.

Economic Agreement To Be Signed With Chile

PY1503185591 Buenos Aires LA PRENSA in Spanish 13 Mar 91 p 3

[Text] Santiago (REUTER-TELAM)—Argentine Foreign Minister Guido di Tella has reported that Chile and Argentina will sign an economic complementary agreement in July that will lead to the creation of a bilateral free-trade zone in 1995.

Di Tella spoke during his one-day visit to Santiago which formed part of a tour of neighboring countries to promote integration. He said that Chile will not participate in the Southern Cone Common Market (Mercosur) that will be established by Argentina, Brazil, Uruguay, and Paraguay by the end of 1994, because of its greater economic stability.

During an interview, Di Tella said that "Chile is more developed than other Latin American countries in its ability to restructure its economy and stabilize its prices. For this reason it is acting with special care to preserve what has been achieved."

"For this reason we are going to start with a complementary agreement that will eventually lead to a free-trade agreement," he said.

Diplomatic sources have reported that Argentina and Chile will probably reach the tax-free stage in their bilateral trade by December 1995.

Di Tella yesterday met with President Patricio Aylwin and held a working meeting with his Chilean counterpart Enrique Silva Cimma, before leaving for Bolivia to meet with President Jaime Paz Zamora.

The meeting with the Chilean president at La Moneda Palace is considered a step toward the meeting that will be held in July 1991 between Aylwin and Argentine President Carlos Menem during the Chilean president's visit to Buenos Aires.

The agenda of their meeting included four basic subjects: economic integration between Argentina and Chile, physical integration between Argentina and Chile, a tender for the construction of a gas pipeline from Neuquen to Santiago, and President Aylwin's upcoming visit to Argentina.

Di Tella confirmed to the Chilean head of state the Argentine Government's decision to call a tender for the construction of the Neuquen-Santiago gas pipeline. Di Tella said that Argentina will expedite the construction of the pipeline, which will not belong to either country but will be privately owned.

Di Tella said that Argentine Foreign Under Secretary Alieto Guadagni will travel to Santiago next week to discuss with his Chilean counterpart specific points of the tender, seeking to begin the construction as soon as possible.

During a news conference at the Chilean Foreign Ministry, Di Tella stressed the importance of his conversation held with the Chilean head of state and of the strengthening of relations between the two countries.

Di Tella said that President Aylwin will visit Buenos Aires next July where he will meet with Carlos Menem.

Asked about the way in which Argentine voted, compared with the rest of the Rio Group countries, over the investigation of human rights violations in Cuba, Di Tella answered: "We do not want the answer to the claims of human rights violations in Cuba to be considered final. We want an investigation to be carried out later to verify any violations, as has been done in other countries."

The Argentine foreign minister added: "We want Cuba to join the other countries in the American continent, but on the basis of a democratic government."

When asked what Argentina expects from its relations with the United States, Di Tella said: "We want continuous relations, a smooth trade exchange. We want the United States to eliminate taxes on many of our products, and we really want credit lines opened by the banks, a task in which we are making progress.

Bolivia

Opposition Leader on Capobianco's Resignation

PY1503183791 La Paz Radio Fides Network in Spanish 1100 GMT 15 Mar 91

[By Nataniel Alvarez from Santa Cruz de la Sierra]

[Excerpts] Reactions to the resignation of Guillermo Capobianco from the post of interior minister continue here. It has been claimed, for example, that his resignation does nothing to resolve the U.S. accusation that he is involved in drug trafficking. [passage omitted]

Meanwhile, opposition political sectors have noted that his resignation demonstrates that the government is not as sovereign as Capobianco claims and that many decisions are made beyond our borders.

Condepa [Conscience of the Fatherland] leader Carlos Palenque Aviles [who ran in the 1989 presidential elections] said here in Santa Cruz that the resignations of Capobianco and [former Police Commander Felipe] Carvajal is tantamount to acknowledging the reports published in THE MIAMI HERALD. [passage omitted]

Saavedra Bruno Sworn In as New Interior Minister

PY1603013691 La Paz La Red Panamericana in Spanish 0000 GMT 16 Mar 91

[Excerpts] Bolivian President Jaime Paz Zamora today installed Carlos Armando Saavedra Bruno as the new minister of interior, migration, and justice, replacing Guillermo Capobianco Rivera, who has tendered his irrevocable resignation. The ceremony, which took place in the Hall of Mirrors at Government House today, was attended by cabinet ministers, political leaders, and executive branch officials.

The president praised the performance of the outgoing minister and emphasized the qualifications of the incoming official. [passage omitted]

The new interior minister stated that the government wants to replace conflict and confrontation with positive dialogue.

[Begin Saavedra recording] We are convinced that the road to democracy goes through the strengthening of the political system and political pluralism, which epitomizes Bolivian society. Democracy must be based on both consensus and dissent and it must represent unity among citizens.

Thus, representatives of the majority of the people, the parties of the Patriotic Accord, and their leaders and members can rest assured of the loyalty, efficiency, modern outlook, and trust that will prevail at the Interior Ministry. [end recording]

The new interior minister also promised to wage an all-out struggle against drug trafficking and corruption. He noted that his doors will always be open to the news media.

[Madrid EFE in Spanish at 2314 GMT on 15 March carries a 300-word report on the same subject which states: "The new interior, migration, justice, and social defense minister [title as received] is a 41-year-old businessman who was the regional boss of the president's party, the Movement of the Revolutionary Left (MIR), in Santa Cruz where he was born. He has recently been negotiating the construction of a gas pipeline and a thermal power plant with Brazil.

"Saavedra Bruno is one of Paz Zamora's closest aides, and he possesses 'a family fortune which will place him

above suspicion,' according to Leopoldo Lopez, deputy chairman of the Chamber of Deputies and a high-ranking leader of the MIR."]

Saavedra Appointment Criticized

PY1703035391 La Paz Radio Fides in Spanish 1100 GMT 16 Mar 91

[Recorded passages in quotation marks]

[Excerpt] [passage omitted] The appointment of Carlos Armando Saavedra Bruno as the new minister of interior, migration, and justice has caused uncertainty and protest within the New Majority faction of the Movement of the Revolutionary Left [MIR] which charged that Saavedra does not fulfill the essential qualifications required for a political career. The MIR congressional bloc walked out of the congressional session to protest Saavedra's appointment and criticized the fact that Oscar Eid Franco [MIR president] had made his personal wishes prevail. Here are statements by Hugo Carvajal Donoso, head of the MIR congressional bloc:

[Carvajal] "There was no quorum at the Chamber of Deputies session, especially due to the MIR bloc. Most of the MIR leaders did not attend the session because of their disappointment over the appointment of the new interior minister. They were surprised at this appointment.

[Reporter] "Were you surprised pleasantly or unpleasantly?

[Carvajal] "I do not say that we were surprised either pleasantly or unpleasantly but we are beginning to think that for such an appointment there are national leaders who have a lot more background and experience in politics to do a good job as interior minister."

MIR Senator Jorge Barrientos Zapata stated that unless the executive branch reviews its behavior, it will worsen the crisis within the party and the dissatisfaction of the people in general.

[Barrientos] "The executive branch is overstepping its bounds with all these mistakes that are being made at various levels and not only in matters of leadership and the appointment of officials.

"It is worth noting that all the current turmoil is the result of the irresponsible appointment of a now former chief of the anti-narcotics struggle who was forced resign. This appointment and the arguments that it has caused have led to a kind of (?questioning) of higher officials or former higher officials [words indistinct], and I believe that because of all these things the executive branch and the legislative branch [words indistinct] for the good of the country."

Confusion and protest were also rampant among the Nationalist Democratic Action, ADN, congressional bloc. Deputy Tito Hoz de Vila stated that if the administration went on like this, it would fail.

[Hoz de Vila] "All I want to say is that I am a very young politician, and perhaps I do not have the experience of those who have been in politics for many years. I find this political career extremely frustrating. Today, for the sake of some petty interests, we missed the opportunity to approve a vital law, a law that is vital for the development of this country, for the generation of investments that could fuel the economy. Had these petty interests been of the opposition, it would have been something to be expected, but to have the Patriotic Accord preventing a quorum from being attained two days in a row for reasons that have nothing to do with the law in question, is not an example of coherent leadership that we must display. If we in the Patriotic Accord do not discipline ourselves, we will fail as administration. We must have some order about certain things which can no longer be done as they have been so far."

Government To Implement U.S. Drug Agreements

PY1603173691 Madrid EFE in Spanish 0931 GMT 16 Mar 91

[Text] La Paz, 16 Mar (EFE)—In the next few weeks the Bolivian Government will implement controversial bilateral agreements with the United States on the Bolivian Army's active participation in the struggle against drug trafficking, despite the complaints of political and labor union leaders.

In statements to Associated Television Journalists [Periodistas Asociados de Television], Fernando Kieffer, the Chamber of Deputies president, said today that "the government does not need special authorization from Congress to permit the arrival of U.S. instructors," thus confirming the arrival of U.S. military experts. So far, rumors about the imminent arrival of specialized U.S. forces have been systematically rejected and denied by President Jaime Paz Zamora's administration.

Bolivia and the United States have signed several agreements on jointly facing the struggle against the production of coca leaves, which is the raw material for cocaine, and the preparation, sale, and transport of this drug. It must be recalled that Annex III, on the so-called militarization of the anti-drug trafficking struggle, has been harshly protested by leftist leaders and coca producers who are intimidated by the possible presence of military men in coca planting areas.

Annex III, which the government tried not to make public, establishes the arrival of over 50 U.S. instructors who, over a period of two to three months, will train nearly 630 Bolivian soldiers, members of two battalions. The training will take place in Montero, 51 km north of Santa Cruz, at installations built by the Americans in the sixties to train the Rangers [preceding word in English], who preformed remarkably in the repression of Ernesto Che Guevara's guerrillas.

According to unofficial reports, the first 10 U.S. experts have already arrived in Bolivia, in compliance with the U.S.-Bolivian agreement.

The former administration, led by Paz Estenssoro, did not accept the Army's active participation in the struggle against drug trafficking in order to avoid creating an atmosphere of violence in the traditional coca cultivation areas. Another issue that concerned the military chiefs of the time was the risk of again involving the Army in possible cases of corruption after the purge that was carried out when the country resumed a democratic system.

The creation of the Special Anti-Narcotics Force (FELCN) in 1985 allowed the Air Force and the Navy to give only logistical support to the elite police force that represses drug trafficking.

The drug traffickers' great economic power and the relatively low salaries of policemen who are operating in the "hot" drug trafficking zones makes them easy targets of corruption, besides the fact that Army members who join the anti-drug trafficking struggle do not receive any additional compensation.

Leftist political leaders have said that the militarization of the anti-drug trafficking struggle has been the main objective of U.S. Ambassador Robert Gelbard's mission, which will end next June, an objective for which he did not hold back efforts.

After Peru, Bolivia is the largest producer of coca leaves and cocaine sulfate, most of which is later refined in clandestine Colombian laboratories.

Brazil

Oilworkers Ordered To Ensure Minimum Production

PY1603210691 Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 16 Mar 91

[By Miriam Oliveira from Brasilia]

[Text] Superior Labor Court [TST] President Guimaraes Falcao has handed down another court judgment, ruling that the striking oilworkers must guarantee the minimum production of fuels required by the population.

In the court judgment, the second one he has (?handed down), the TST president rules that there must be enough workers to operate the refineries.

According to Judge Guimaraes Falcao, the judicial branch's primary concern is not to leave the population without fuel.

According to the TST president, the oilworkers will be held responsible if the people's welfare is threatened by the strike.

[Begin Falcao recording] The court judgment clearly establishes that there should be enough production to keep a strategic stock in order to protect the population.

If the trade union of a given refinery does not operate the refinery because it understands that there is enough stock in that area and this actually is not true in practice, thus causing the product to be in short supply, then the workers of that trade union will be held fully responsible. [end recording]

According to Judge Guimaraes Falcao, if the population is affected by the noncompliance with the second court judgment, then the oilworkers strike could be considered abusive, thus (?prompting) dismissals for just cause.

The TST will rule on the oilworkers strike Monday, 18 March.

Strike Affects Gasoline Supply; Rationing Started

PY1603135491 Rio de Janeiro Rede Globo Television in Portuguese 1600 GMT 15 Mar 91

[Excerpts] Gasoline is already in short supply in Rio Grande do Sul State. The Alberto Pasqualini Refinery has begun to ration fuel because of the oil workers' strike. [passage omitted]

The Alberto Pasqualini Refinery remains inactive. Complying with a Superior Labor Court ruling, teams of oil workers showed up this morning, but they just watched the pumping of existing stocks. There is still no production.

According to the refinery, gasoline and cooking gas stocks will guarantee supplies until 20 March. To this end, fuel rationing has already been implemented, primarily taking into account the consumption of each region.

Military Publication Criticizes Budget Allocations

PY1503182291 Rio de Janeiro O GLOBO in Portuguese 14 Mar 91 p 7

[Text] Brasilia—NOTICIARIO DO EXERCITO [Army News], the Army Ministry's official publication, has published an editorial entitled: "The Limit of Parsimony." The editorial points out that the operational capability "imposed" on the infantry "by the control of expenditures" has reached "the dangerous limit of what is tolerable."

The editorial cites the attack on the Rio Traira encampment as an example "that must serve as a warning to the responsible sectors of society." According to the Army Social Communications Center (Cecomsex), there is no desire for Army issues to have priority, but it is important for society to reflect--leaving passion and preconceptions aside—about the type of country and Amazon region desired. According to Cecomsex, the Calha Norte Project [involving border patrolling and installations] must receive funds from the federal government.

A colonel explained: "Either we occupy the Amazon or others will occupy it instead of us."

Aeronautics Minister Brigadier Socrates Monteiro said yesterday that the pot is boiling, but the lid is on it.

Supporting the need for more funds for the Armed Forces' task, the minister said: "The salary loss due to inflation is heating up the pot. We are cooking slowly. The constant presence of platoons to guard the border and minerals is important. Where there is gold there are men, and mineral resources must be mined correctly to benefit the Brazilian nation."

On the issue of military salaries, the brigadier said that the government is trying to handle it in the best way possible.

Hungarian Secretary Calls For More Trade

PY1603170491 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 13 Mar 91 Economic Section p 3

[Text] Rio de Janeiro—The economic opening in Hungary could be very fruitful for Brazilian enterprises that are interested in exporting to that country. Istvan Major, Hungarian International Economic Relations Ministry alternate secretary [name and title as published], participated in a seminar in Rio de Janeiro on 12 January during which he detailed the changes that are being made in the Hungarian economy. "Today the private sector comprises 15 percent of the economy, but with the reforms, its participation will surpass 50 percent within three or four years," he said. Major believes Brazil has a great possibility of helping with the changes. "Some marketing [preceding word in English] of Brazilian enterprises is needed in Hungary," he stressed.

Brazil exports $179 million (40.6 billion cruzeiros at the commercial rate) per year to Hungary and imports only $23 million (5.2 billion cruzeiros) from Hungary. "I think we can export up to $500 million (113.5 billion cruzeiros) under the present conditions of change," said Marcus Vinicius Pratini de Moraes, president of the Association of Brazilian Exporters (AEB). According to Pratini, Brazil primarily exports raw materials such as iron ore and soy bean by-products to Hungary. A group of 25 Brazilian businessmen will visit Hungary in May to evaluate the possibility of exporting other products. They are entrepreneurs in various sectors including clothing, shoes, machinery and equipment, food, and transport. The Brazilian economy over the next few years is faced with continuous recession and exporting more could be a good solution for companies that have difficulties in the domestic market.

Major stressed that the Hungarian Government has given priority to investments in telecommunications, industrial technology, and infrastructure. "Nearly $3 billion will be used to expand the Hungarian telecommunications system in the next three years," Major said. Istvan Major added that there is a project to invest $9 billion in the country's infrastructure over the next five years. "We want to build a 500-km highway," the secretary said. Hungary's largest trade partner today is Germany. Major stressed that the reforms introduced into the Hungarian economy are aimed at adapting it for membership in the EEC.

The Hungarian secretary said liberalization of his country's economy has produced 5,000 joint ventures in one and a half years and 50 percent of the joint ventures are in industrial projects with risk capital; 25 percent are in hotels, tourism, and food; and 25 percent are in other areas. Nearly 65 percent of the joint ventures involve U.S. businessmen. "The United States is the largest investor in Hungary today with $650 million." Brazil is already investing in informatics through a joint venture between the firm SID Informatica, of the Mathias Machline Group, and the Hungarian firm, Muszer Techinic. "We are very interested in Brazilian technology," Istvan Major said.

Customs Tariff List Prepared for GATT

PY1603153091 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 13 Mar 91 p 3

[By Aldo Renato Soares]

[Excerpt] Brasilia—Brazil will present a new customs tariff list to GATT to facilitate negotiations in the Uruguay Round, which is currently meeting in Geneva. The Brazilian proposal, which is still being studied, will reduce import tax rates on thousands of foreign goods and consolidate tariffs at a lower level than those charged last year.

The government's intention is to show "good will" to its main trade partners and compel a greater opening of those markets to Brazilian products in exchange. [passage omitted]

Chile

Minister on New Measures Against Crime, Terrorism

PY1503234191 Santiago Radio Nacional de Chile Network in Spanish 1100 GMT 15 Mar 91

[Text] The government is asking for the cooperation of everyone in its crusade against crime and terrorism in all its forms. This was stated by Interior Minister Enrique Krauss following a cabinet meeting, presided by President Aylwin, during which public order and safety were discussed. Krauss said that the government seeks the participation of everyone in the struggle against crime, not just the government and the police, but everyone who believes in peace and unity which the country has chosen as a national lifestyle.

Krauss then referred to the method to isolate and (?deactivate) the scourge of terrorism.

[Begin Krauss recording] Terrorism should be isolated by everyone. Terrorists are unpatriotic and this is why we are implementing this new legislation against them. This law has been democratically approved by Congress. We believe that those who engage in terrorist acts not only commit crimes and break the penal law, they also

endanger the basis of democracy. As the president has said, terrorism has nothing to do with political crime. [end recording]

Krauss said that these acts are being committed by common criminals who will be punished under the current [word indistinct] law.

Regarding the disruption of public order, the minister said that the provocations by some minority activists of obscure origin should be stamped out. The government respects the freedom of assembly. Thus, Krauss made another appeal:

[Begin Krauss recording] We ask those who participate in demonstrations to respect other people's rights which are guaranteed by the authorities who must decide where demonstrations may be held so as to prevent property damage. The people should respect the resolutions which are usually issued by the police, especially the Carabineros. [end recording]

Regarding the measures and initiatives to combat crime, the minister announced that the executive branch has sent Congress a draft bill to reform the penal code and facilitate the fight against crime.

He also announced that places where many crimes occur will be closed down and that a special council will review the laws on drugs.

Carabineros Double Protection for Judiciary

PY1503160891 Santiago Radio Nacional de Chile Network in Spanish 1100 GMT 15 Mar 91

[Excerpt] Carabineros throughout the country have received orders to double guards and protection for judges, court members, and other high-ranking judicial branch members in the metropolitan region and anywhere courts are established.

In the case of Santiago, this report was confirmed by General Alfredo Nunez, chief of the metropolitan Carabineros district. He added that for the time being, he still does not have reliable information about who attacked the house of Justice Efren Araya. A select group of policemen are investigating this attack and positive results are expected soon.

Similar protection measures have been adopted in Valparaiso to guard judges and their homes. Special guards have been established in the vicinity of all courthouses; the Gendarmerie are responsible for internal security. [passage omitted]

Concepcion Investigative Police Chief Killed

PY1503192291 Santiago Radio Chilena Network in Spanish 1700 GMT 15 Mar 91

[Excerpt] This morning a terrorist commando ambushed and killed Hector Sarmiento Hidalgo, chief of the 5th Region Investigative Police, in Concepcion. During an apparently normal morning today, the city of Concepcion was suddenly shaken. At 0800, as Investigative Police Chief Sarmiento Hidalgo was leaving his house on the corner of Maipu and Janequeo Streets, a tall, well-dressed man with a moustache, armed with an automatic weapon shot at Hector Sarmiento Hidalgo at point-blank range and killed him on the spot.

While the attack was taking place, Manuel Prat Riva, 43, an off-duty Carabinero who was passing by, tried to repel the attack, but was seriously wounded. Prat is undergoing surgery at the Concepcion regional hospital for bullet wounds in his thorax and left armpit. Doctors have reported that Sarmiento's driver, Jose Gimenez, was also wounded in his thorax and left arm, but is now out of danger. Benigno Eliseo Sarmiento, father of the Investigative Police chief, was also wounded in the attack. The three injured men are being treated at the regional hospital. [passage omitted]

Reactions to Murder Reported

PY1503220391

[Editorial Report] Santiago Radio Chilena Network in Spanish at 1700 on 15 March carries in its regular newscast reaction to the murder of Concepcion Investigative Police Chief Hector Sarmiento Hidalgo.

A one-minute official Carabineros report is read by Public Relations Department Inspector Jorge Flores who said: "The Chilean Investigative Police are shocked by this attack that cost the life of an excellent member of this institution who, as regional chief, was beloved among his subordinates. This institution repudiates this evil crime. The Investigative Police will not cease until they arrest those responsible for this bloody crime."

In a three-minute report in the same newscast, National Investigative Police Director General Horacio Toro said that the attack on Hector Sarmiento Hidalgo is a challenge to the government and it shows that there are people who do not understand how to attain democracy.

Toro said: "He had no open enemies and he did not participate, as far as I know, in any human rights violations cases during the past regime. Therefore, from this angle we do not know who committed the attack." Toro added that the attack was "brutal, useless, cruel, and absolutely not in keeping with the search for democracy in Chile."

A two-minute then follows in which Jorge Arrate, president of the Socialist Party, categorically rejected the attack on Hector Sarmiento Hidalgo in Concepcion.

Arrate said that the attack was "senseless" and that it "does not contribute to dissipate the tension that resulted from the unveiling of the Rettig report." Arrate added: "Those behind this type of activities, if we are talking about something organized, are not contributing to the development of democracy in Chile."

This is followed by a two-minute report in which Interior Under Secretary Belisario Velasco is quoted as saying: "The government will request the designation of a special prosecutor to investigate the murder" of Police Chief Hector Sarmiento and that those responsible "undoubtedly belong to extremist sectors who want to prevent a national reconciliation."

Another two-minute report on the same subject follows in which the Fifth Region Committee of the Communist Party of Chile [PCCh] issued a declaration which states: "The PCCh categorically rejects and condemns the attack," which, they say, is the people's reaction now they have "learned of the atrocities committed during the dictatorship." The document adds: "The attack is a provocation that will be used as a pretext by those who want to hide the truth" and asks for "the quickest and fullest investigation" of the incident. The document concludes that Communists "seek justice and not revenge."

At 2300 GMT, in its regular newscast, the station carries further reactions to the murder of Concepcion Investigative Police Chief Hector Sarmiento Hidalgo

In a one-minute report, Secretary General of the Presidency Edgardo Boeninger condemns the brutal murder of the Concepcion Investigative Police chief, adding that "it was a tragic, unfortunate attack perpetrated by insane criminals. It provides further justification for the stricter police measures promised by the interior minister." Asked whether attacks of this kind jeopardize democratic stability, Boeninger answered: "I do not believe so."

A two-minute report later in the cast includes the reaction of Justice Minister Francisco Cumplido, who says that "this type of attack is partly a result of the loss of respect for the right to life," and stresses that "these incidents jeopardize the country's chances of restoring the full respect for human rights that prevailed in the past."

Santiago Television Nacional de Chile Network in Spanish at 1800 GMT on 15 Mar in its regular newscast includes a 1-minute report in which CUT [United Labor Federation] President Manuel Bustos "vigorously condemns the attack in which Police Chief Hector Sarmiento was killed," adding that the "crime helps those who do not want truth and justice in Chile." Bustos said: "I want to express my solidarity, on behalf of the CUT, with the Investigative Police" adding that the CUT "repudiates the attack in the strongest possible terms."

The same newscast included a half-minute report in which the Army commander in chief characterizes the attack as "criminal and inhuman." The report quotes an Army declaration saying that "a new victim has thus fallen to the terrorist and homicidal violence that is sponsored by sectors which do not hesitate to use such methods to see their alleged truth and justice prevail." The declaration adds that these sectors "are at the service of egotistical interests which attempt to seriously alter our national coexistence."

Terrorists Issue Communique

PY1603155491 Santiago Radio Nacional de Chile Network in Spanish 1100 GMT 16 Mar 91

[Text] The Lautaro Rebel and Popular Forces have claimed responsibility for the murder of Hector Sarmiento Hidalgo, chief of the Concepcion Investigative Police, stating that it was an action of punishment and execution and a rejection of impunity for the police in their repression of the people.

In a communique that violently attacked the government, the extremist group also said the attack on the police chief was their response to the killing of terrorist Marco Ariel Antonioletti in a clash with detectives on 14 November 1990 in Santiago.

The police chief was murdered one day after the government announced a broad plan to fight common crime and terrorism, a plan that includes the acquisition of materiel for the police and increases in police personnel.

The extremist movement's communique claiming responsibility for the bloody attack in Concepcion was delivered to UPI shortly after a telephone call from a woman who claimed to be calling from Concepcion and who reported that this terrorist group claimed responsibility for the crime.

The communique also attacked the system, rejecting impunity, pardons, and reconciliation and stating that the Lautaro Rebel and Popular Forces are heading a revolutionary movement that has the force, arms, and combatants to eventually take over liberty and full justice.

It is proper to note that, in another telephone call to the Concepcion radio station Radio Bio Bio, the woman said the movement had executed the police chief because he had information about human rights violations in Iquique.

Military, Carabineros Comment

PY1603161691 Santiago Radio Nacional de Chile Network in Spanish 1100 GMT 16 Mar 91

[Text] The various branches of the Armed Forces and the forces of order have repudiated the attack in which Concepcion Investigative Police Chief Hector Sarmiento Hidalgo was murdered.

The Air Force strongly condemned the attack, noting that it is aimed at creating an atmosphere of insecurity and uncertainty in order to undermine national reconciliation.

In an official communique, the Army expressed its condolences to the murdered police chief's family. The communique also pointed out that this attack is in

keeping with the terrorist and homicidal violence promoted by sectors that do not hesitate to use these methods in order to ensure that their alleged truth and justice, which is only at the service of petty interests, prevails. In conclusion, the communique warns the citizenry about the fact that this attack confirms that extremist actions in our country are current.

The Carabineros have also released a communique pointing out that this action by promoters of violence is taking place precisely when Chilean society is undertaking great efforts to seek a way for understanding, a task that the Carabineros share and espouse.

In a telephone call, Navy Commander in Chief Admiral Jorge Martinez Busch told Interior Minister Enrique Krauss of his repudiation of the murder of Investigative Police Chief Hector Sarmiento.

Three Police Precincts Attacked Within 20 Hours

PY1803010491 Santiago Television Nacional de Chile Network in Spanish 0000 GMT 18 Mar 91

[Text] Another attack on a Carabineros station occurred last night in Santiago. The attack, which left one officer wounded, was the third attack on a Carabineros precinct in less than 20 hours.

The attack was against the Teniente Merino Precinct in Pudahuel District. At approximately 2120, unidentified individuals hurled a bomb at the station, injuring Officer Jose Unzueta and causing serious damage to the building.

A police report says the bomb was hurled from a Datsun on an adjoining street. The bomb fell on the roof of the precinct, but it is believed that the extremists had targeted the sleeping quarters.

The Teniente Merino Precinct was attacked previously in 1985, 1986, and 1987.

Retired Army Generals Criticize Rettig Report

PY1603032491 Santiago Radio Nacional de Chile Network in Spanish 2300 GMT 15 Mar 91

[Text] The Council of Retired Army Generals [Consejo de Generales de Ejercito en Retiro] has stated that the Rettig report is a serious obstacle on the path to national reconciliation. The council issued a eight-page statement to the effect that the report released by the administration contains half-truths which cloud the picture instead of clarifying it.

The council's statement added that the Rettig report should have covered a longer period of time, to include events which took place prior to 1973 and led to later developments.

Supreme Court Justice Opposes Judicial Reform

PY1503012391 Santiago Radio Nacional de Chile Network in Spanish 1800 GMT 14 Mar 91

[Text] Supreme Court Justice Enrique Correa Labra said today that government reaction to the statement made yesterday by the Supreme Court is wrong. Correa also said that he is completely against the reform of the judicial branch.

[Begin recording] [Reporter] What is your opinion of the comments by Interior Minister Enrique Krauss that the Supreme Court statement was released thoughtlessly and hastily?

[Correa] I believe he is wrong.

[Reporter] Why?

[Correa] For a very simple reason: Our statements are very well reasoned. The Supreme Court cannot speak foolishly. I believe he is completely wrong. We already gave our reasons when we made a decision, when we voted.

[Reporter] Does the plot that you talked about against the members of the judicial branch really exist?

[Correa] He may not believe that it does.

[Reporter] He said that this may not be part of an organized plan.

[Correa] Let him study this issue to find an answer for himself.

[Reporter] Do you believe there is in the country a climate to carry out a reform of the judicial branch?

[Correa] I am thoroughly and completely against reform of the judicial branch, especially reform of the consultative council. [end recording]

Justice Minister Denies Institutional Crisis

PY1503181191 Santiago Radio Nacional de Chile Network in Spanish 1100 GMT 15 Mar 91

[Text] Justice Minister Francisco Cumplido has confirmed that the conflict between the executive branch and the Supreme Court of Justice has been overcome. He said that every effort must now be made to reach agreement over the judicial branch reform, adding that he hopes the opposition will continue to cooperate so that this matter can be resolved as soon as possible. He said:

[Begin Cumplido recording] The interior minister has already expressed the government's opinion. We consider that there is no institutional conflict. All the government branches, the National Congress, the president of the Republic and his cabinet, and the Supreme Court of Justice and all the courts are working normally and all court sentences are being served. So, there is no need to think of an institutional crisis. [end recording]

Regarding an alleged campaign to create an atmosphere of tension, Cumplido said that the government has no information that would confirm such speculation. Commenting on the rejection by the opposition of the government's invitation to discuss the judicial reform, Cumplido said that this is no problem since the opposition has clearly stated that the talks should continue in Congress. He said that the government has reiterated its desire to achieve agreements that are beneficial for the country.

Conflict Between Judiciary, Executive 'Overcome'

PY1603030091 Santiago Radio Nacional de Chile Network in Spanish 2300 GMT 15 Mar 91

[Text] Supreme Court Justice Roberto Davila Diaz has stated that he fully agrees with Justice Minister Francisco Cumplido that the differences of opinion between the executive branch and the judiciary have been overcome. Davila said: I personally believe that our codes of law and legal procedures should be revised. All I want is that whenever an amendment to the laws on the organization of the courts is proposed in Congress, that body should hear out the opinion of the Supreme Court.

Uruguayan President Lacalle To Visit 20-23 Mar

PY1403152291 Santiago Radio Nacional de Chile Network in Spanish 1100 GMT 14 Mar 91

[Text] President Patricio Aylwin has suspended a trip he was planning to make to the cities of Curico, Talca, and Linares next week. This information was released by the Presidency Press Secretariat. The tour has been postponed because Uruguayan President Luis Alberto Lacalle will arrive in our country on 20 March. He will continue his official visit in Chile until 23 March.

Defense Minister Rojas Assesses U.S. Visit

PY1403181091 Santiago Radio Nacional de Chile Network in Spanish 1100 GMT 14 Mar 91

[Excerpts] Defense Minister Patricio Rojas, who has fulfilled all his objectives, will today begin a series of visits to U.S. Air Force and Navy institutions and training facilities. Our correspondent in Washington files this report:

[Reporter] Defense Minister Patricio Rojas has said here in Washington that the purchase of two Hercules C-130 aircraft for the Chilean Air Force was arranged after several meetings with high-ranking U.S. officials. The minister added that the two planes are required because of Chile's need for an efficient air transport system. [passage omitted]

The minister said the main objective of his visit to the United States was to normalize relations between Chile and the United States in the defense sector. There are (?currently) no sanctions, restrictions, or limitations affecting our bilateral relations, he added.

As for his objectives, he said that our (?Armed) Forces will make use of the entire spectrum of foreign military sales, which will make it possible for Chile to purchase spare parts, equipment, and manuals for its armed institutions, especially for the Air Force's F-5, A-37, and Hercules aircraft and its helicopters.

Chile and the United States, the minister said, have agreed to establish a military education and training program. Under this arrangement, Chilean officers, with ranks ranging from captain to lieutenant colonel, will be able to attend advanced training courses in various Defense Department academies. Among these schools are the National Defense University, which is subordinated to the National War College—from which General Powell graduated—the Air Force Academy of [word indistinct], and the Newport Naval Academy.

In addition to [words indistinct] mid-level courses and advanced professional courses, and the Chilean Defense Ministry will develop a very specific program of technological courses which may be attended by Chilean officers and NCO's will be able to attend according to the technical qualifications (?of each student).

The minister said that Chile, through the Defense Ministry, will maintain and intensify the academic exchange program of visits, training periods, research, and teaching by the Armed Forces of the two countries.

The minister concluded by saying that this visit has also yielded valuable information on the possibility of operating data banks through computer networks in the academic and biomedical fields. This is particularly important for Chilean Armed Forces hospitals, which will thus be connected with the data bank holding the world's most advanced medical information. [passage omitted]

Railways Assistance Agreement Signed With France

PY1603205891 Santiago Radio Nacional de Chile Network in Spanish 1100 GMT 16 Mar 91

[Text] Transport Minister German Correa has signed a technical assistance agreement with France whose goal is to outline a modernization program for the State Railway Enterprise. The Chilean Government plans to invest about $100 million in this program. The agreement was signed by French Foreign Trade Minister Jean-Marie Rausch and Minister German Correa.

The French minister emphasized the willingness of the government of President Francois Mitterrand to cooperate with Chile. And this agreement is part of that political will by France, he said.

For his part, Transport Minister German Correa expressed the need to promptly modernize the railway. He indicated that many accidents have occurred because of the extremely serious deterioration of the State Railway Enterprise's infrastructure, including the tracks and the ties.

[Begin Correa recording] We are all aware of the extremely serious deterioration of the State Railway Enteprise's infrastructure.

There was another derailment a few days ago. It was caused by the deplorable condition of the tracks, both because of the wear and tear on the the rail sections, which are important parts of the tracks, and because of the definitive obsolescence of the ties, which no longer resist the passage of the trains in many places. They break loose—the material does—and all the bolts are broken. All this finally leads to the fact that there are along the Temuco-Puerto Montt section, for example, more than 30 stretches where a train must run with care and where a train cannot exceed 20 to 25 km per hour so as not to run the risk of causing an accident. [end recording]

Minister Correa also announced that a bill changing the State Railway Enterprise's legal structure will be submitted soon. He pointed out that the current legal structure does not favor the modernization of the State Railway Enterprise.

The minister said that both the lines and branch lines as well as the modernization of the State Railway Enterprise will be decisive to rail service being competitive in the cargo and passenger market.

In conclusion, the minister pointed out that the technical study of the lines and tracks and the feasibility survey will be done free of charge to the Chilean State as they represent a donation by the French people.

Colombia

Escobar Will Surrender If Not Extradited

PA1703042591 Madrid EFE in Spanish 0155 GMT 17 Mar 91

[Text] Madrid, 17 Mar (EFE)—According to statements made by Colombian drug trafficker Pablo Escobar Gaviria, chief of the Medellin Cartel, in an exclusive interview with the Spanish newspaper EL MUNDO, published today, he will turn himself in to his country's justice in exchange for not being extradited to the United States.

Escobar said that he respects the decision of the Ochoa brothers, Colombian drug traffickers who turned themselves in to Colombian justice recently, but noted that "it is difficult to assume a position like that at a moment when there are criminal forces infiltrated into the national police."

According to Escobar, these criminal forces "are the same ones that massacred more than 300 innocent people in Medellin just for being unfortunate enough to live in poor areas of that city."

The chief of the Medellin Cartel told the Spanish newspaper that he has been fighting against extradition long before he ever became an "extraditable," and that he will continue with that approach "all his life."

"My stand with regard to the extradition treaty is that of the majority of Colombians. We are against it," Escobar told the Spanish newspaper. He added that this feeling becomes stronger "after watching the treatment that Colombians get in U.S. jails."

According to Escobar, U.S. justice is far more strict with Colombians, "because history has proven to us that this treatment changes when it involves an American."

With regard to his responsibility in the killing of peasants in Antioquia's Uraba region, Escobar responded that he "had nothing to do with all these massacres of which he is accused." According to human rights commissions, these murders were carried out by paramilitary groups financed by a certain section of the drug trafficking ring.

He added, "There are many people who benefit from saying that I am linked to the left.... There are also many times when I have been accused of associating with the ultraright. Therefore, there is no consistency in these accusations. Sometimes I am said to be rightist and other times, leftist. Sometimes I am said to act againsts the left and others, against the right."

In addition, Escobar reported human rights violations against members of his organization. He mentioned the persecution and constant harassment his family suffers. Efforts are made not "to arrest them but to kill them."

He noted that "there are cases of torture where drills are used in people's ears and needles stuck in their testicles. People are put aboard National Police helicopters never to be seen again. Charges are pressed at the Attorney General's Office, but no one gets punished. There are hundreds of people who are missing."

He also explained that the more than seven years, in which he has been one of the most wanted men by justice, "have been very hard and difficult, but interesting too. Many operations against me have been carried out, but I have always had the support of the peasants and the inhabitants of poor sectors."

Escobar also rejected accusations that he formed the so-called "hired assassins group" (sicariato). According to Escobar, I have only "defended myself from tortures, massacres, and the practice carried out by state security organizations that results in the disappearance of persons." I have been involved in many social welfare projects in poor neighborhoods, and it is logical for the people living there to support me."

In his remarks to EL MUNDO, Escobar explained that he does not do drugs or drink alcohol, "but I think that cocaine and alcohol are not that bad. What is bad is the excess and the lack of social discipline." He further remarked that he sees "no difference between an alcoholic and a drug addict."

Regarding a solution to put an end to drug trafficking, he said that it will end when drug use ends. "Rather than eliminating drug trafficking, one must think of education based on medical and scientific information."

'Self-Defense Groups' Announce 'War' on Cartel

PA1603022691 Bogota Inravision Television Cadena 1 in Spanish 0013 GMT 16 Mar 91

[Text] The self-defense groups have announced to the country that they have launched a war to death against the Medellin cartel and its leader, Pablo Escobar. The DAS [Administrative Department of Security] investigations prove that the self-defense groups were initially linked to the drug traffickers who operate in the middle Magdalena region. What prompted such a radical change in the self-defense groups' direction? The following story provides some clues to explain the change:

Leftist groups and the DAS call them paramilitary groups; the peasants call them cattlemen; and the army prefers to use the term self-defense groups. The DAS reported that there were 128 of these groups in the country back in 1987. In 1982 they became a military organization similar to the army in the middle Magdalena region; they declared war on leftist groups.

The groups were led by Henry Perez and Ariel Otero. Some of the men who assumed their leadership have said that they reject the army's decrees urging them to abide by the justice system because—they argue—they are not criminals. In fact, on several occasions they have said that their movement cooperates with the government in the struggle against narco-terrorism—even though the DAS has said that the drug traffickers formed an alliance with these groups in 1983.

The division was revealed by the groups' highest leaders in September 1990, when they reported an alliance between Pablo Escobar and the so-called Army of National Liberation, ELN. Now the groups say that they have Pablo Escobar in their sight and have declared him their enemy, describing him as a beast. All this indicates that a war has been launched to annihilate the most sought after man in the world. For the authorities, this mission has proved impossible so far.

Hence, it is appropriate to ask: What about the government? Will it recover the monopoly on the use of force? Let us remember what was said by the president who, two days after he was sworn in, spoke clearly about the self-defense groups, or paramilitary groups.

[Begin Gaviria recording] That [not further identified] is what I intend to do in my government. There can be no concessions or coddling concerning the paramilitary groups. [end recording]

Rebels Release Hostages, Call For Dialogue

PA1503141991 Hamburg DPA in Spanish 2140 GMT 14 Mar 91

[Excerpt] Bogota, 14 Mar (DPA)—The Simon Bolivar National Guerrilla Coordinating Board (CNG) today released four persons who had been kidnapped on 12 March, including a mayor and the brother of a ranking Army officer, to whom they gave a message reiterating their proposal to begin peace talks with the Colombian Government, the authorities reported.

The rebels abandoned Mayor Felix Meneses and three officials of his administration, including Miguel Adrada, brother of General Norberto Adrada, commander of the 7th Army Brigade, near the town of Argelia, 460 km southwest of Bogota.

The CNG gave them a message reiterating their willingness to begin a peace process with the government and requesting an end to the military operations against them.

The government-CNG dialogue, agreed to by the two parties several weeks ago, has not begun due to several difficulties in choosing the site of the preliminary meeting.

Initially, the CNG agreed to seek a site for the meeting in the region of La Uribe (160 km south of Bogota), where last December the Army destroyed several of its camps, although it later proposed that the government order the demilitarization of the region, which was flatly rejected. [passage omitted]

Peru

Health Minister Denies Resignation Reports

PY1603014891 Madrid EFE in Spanish 0115 GMT 16 Mar 91

[Excerpt] Lima, 15 Mar (EFE)—Peruvian Health Minister Carlos Vidal denied today that he had resigned due to rumors that have circulated on his disagreement with President Alberto Fujimori on methods of combating the cholera epidemic that is ravaging the country.

"I have not resigned. Rumors to that effect are false," Vidal told EFE. [passage omitted]

Government Implements Broad Liberalization Program

PY1603001791 Madrid EFE in Spanish 1754 GMT 15 Mar 91

[By Francisco Figueroa]

[Text] Lima, 15 Mar (EFE)—A few days ago the Peruvian Government implemented a complex liberal economic reform based on market rules and efficiency that surprised a country accustomed to state tutelage.

Among the "structural changes to modernize the country," Peruvian President Alberto Fujimori's cabinet approved decrees that favor foreign investment and the free flow of capital and profits.

These new dispositions will liberalize the capital market, allow the opening of accounts in foreign currency inside and outside the country, and will give more dynamism to foreign trade operations.

The government announced the reduction of customs duties to 15 percent, with some protectionist exceptions where the duty will be 25 percent. This measure immediately provoked a division among entrepreneurs.

Industrialists, following decades of state overprotection, feel hurt by the lower custom duties which, according to the executive branch, will encourage competitiveness, attack inefficiency, and help improve the quality of national products.

Shop owners are happy with the cut in duties. The specialized press, however, wonders about the split that these reductions have caused within the National Confederation of Private Business (Confiep).

The government, in an attempt to free private initiative, will announce the end of state monopolies in telecommunications, fuels, electricity, and other sectors.

The government has also launched a program of privatization, with the exception of only those entities that are considered strategic, seeking to reduce the heavy burden of public enterprises that are considered "inefficient."

Among the other measures are new steps to make the rigid constitutional concept of "job stability" more flexible through the introduction of regulations that establish reasons for dismissal over issues of competitiveness, productivity, loyalty, and the abuse of the right to strike.

Prime Minister Carlos Torres said that the government wants to impose "discipline and work" in labor relations because "only then can the country overcome the worst crisis in its history."

The most powerful labor federation, the communist General Confederation of Peruvian Workers (CGTP) reacted ambiguously to the new labor regulations although they are threatening to stage a three-day general strike.

Experts say that the Peruvian labor movement has lost strength following the failure of the general strike that was staged last August to protest the government's general price increases that hiked prices by 30 times.

Economy Minister Carlos Bolona, who was installed only 25 days ago, said that the new measures could trigger the dismissal of 3 percent of the labor force, that is, 300,000 people, due to the closing of small and middle-sized factories.

According to official statistics, only one out of every five employable people has a fixed job. The great majority of the working population is underemployed and survives in the so-called "informal economy" which encompasses two thirds of all national undertakings.

Political sources have said that Fujimori's cabinet also intends to substantially modify the present land ownership system which is based on an agrarian reform program that was implemented by a revolutionary military government two decades ago.

Minister Briefs Congressional Budget Committee

PY1603193291 Lima RTP Television Network in Spanish 0100 GMT 15 Mar 91

[Excerpt] The new law on banks will be promulgated in the third week of April, according to Economy Minister Carlos Bolona Behr. He also announced that a mechanism will be set up to end state monopolies. Bolona added that amendments to the labor stability law will generate more employment opportunities and will by no means mean a carte blanche for businessmen to lay off their workers.

The economy minister held a four-hour meeting with members of the congressional Budget Committee to back the fourth supplementary credit of 90,583,889 intis, 80.7 percent of which will be earmarked for financial expenditures, including expenditures by the Armed Forces and the police, as well as social programs, while the remaining 19.3 percent will be earmarked for investments.

Bolona began his speech at 0930 this morning; in it he explained the scope of recent economic measures. He said that due to the report that tax evaders will be punished with imprisonment, the superintendency of tax administration has managed to collect over $2 billion, or five billion intis.

Bolona also explained the modernization and tax reform plans, referring to financial aspects that contemplate the elimination of privileges for reinsurance companies.

[Begin Bolona recording] I would like to say the following: The best increase for workers at this moment would be a reduction in inflation. The best increase for housewives would be to have access to certain types of products that are in the hands of a few privileged people who impose prices at their own will. This represents progress. We have tried not to increase gasoline prices and not to impose tax increases, but to improve tax administration, thus achieving good results in the fiscal sector. Taxes are not paid in this country. There is a great deal of tax evasion; I think those who evade taxes must be punished with imprisonment. The increase in salaries will come to the extent that the economy can afford it. We cannot contemplate wage increases every time an economy minister addresses the nation, as we cannot

think an economy minister speaks to the nation only to increase taxes and fuel prices. [end recording] [passage omitted]

Venezuela

President Perez Delivers Annual Address

PA1703235291 Caracas Television Networks in Spanish 1418 GMT 12 Mar 91

[Second "Annual Address to the Nation" by President Carlos Andres Perez from the National Congress in Caracas—live]

[Excerpts] Mr. President and Mr. Deputy President of the National Congress; Mr. President and magistrates of the Supreme Court; Your Eminence Cardinal (Jose Aliderux Moratinos), archbishop of Caracas; Mr. Attorney General; Mr. President and members of the Supreme Electoral Council; Mr. President of the Judiciary Council; former President Rafael Caldera; former President Luis Herrera Campins; Vice Admiral (Wolfgang Larazabal), former president of the Government Board; ministers and members of the cabinet; Governor of Caracas; senators and deputies; Mr. Comptroller General; Mr. General Prosecutor; Your Excellency the Papal Nuncio; Your Excellencies the ambassadors of friendly nations; senior military officers; Mr. Mayor of the Libertador Municipal District; presidents and directors of national institutions; universities presidents; presidents of autonomous institutions and state-run companies; people of Venezuela.

After the second year of my administration, I am pleased to present to you an optimistic message, even though we are still amid the critical process we have been facing, successfully, during these two years. The formidable possibilities have opened for Venezuela, and our limitations can be seen in the horizon. I am here to tell you the truth and only the truth.

The world is in the midst of changing times. Venezuela is not removed from these changes. History, as well as the world and national crisis, have placed us at a crossroads. This transition period is difficult and often painful. The type of society that we had envisioned and that has served us since the introduction of modern democracy is no longer valid. The Venezuela that we must construct has not yet totally emerged. We are living in a transition period and we are the transition itself. Venezuela is at a decisive stage when it must set the pace for its great destiny. This is a modern Venezuela, tuned in with the great change of currents that are preparing the world for the 20th century. The disadvantage of this great change of direction is that all the social sectors that were familiar in a complex system of artificial relations are currently experiencing the uncertainty that all change generates. The state, hypertrophied and weak at the same time, willing to yield under any pressure, must now face more realistic tasks. The nation must be strong and abandon fields that are beyond its scope. The government must change. The patterns of the Venezuela that we are leaving behind are being replaced by others that are more fitting and efficient which we are firmly and painstakingly designing.

This transition translates into complex social, political, and economic transformations. We are undertaking the program of adjustment that any responsible government would carry out. Fortunately, there is little doubt that this program must be implemented. We are criticized about the costs of the process of learning to manage a new situation. No one, unless he lies, can say that the adjustments were avoidable. At times, criticism turns toward the impossible goal of achieving perfection. This perfection does not exist in society or in men, particularly when one undergoes a severe crisis such as ours, which leaves no other options or roads to follow.

The adjustment plan is necessary to correct errors and rechoose a serious and stable path of growth. We have had to pay a high cost. I know and admit it. We had no other choice, however. [passage omitted]

The government and the style of government cannot remain the same, neither can the political parties nor their style of conducting politics. Congress, the Judicial Branch, Fedecamaras [Venezuelan Federation of Associations of Chambers of Commerce and Industries], and the CTV [Confederation of Venezuelan Workers] cannot remain the same either. Until we understand this, the ongoing changes will be more difficult and traumatic, and those who continue to hold on to the Venezuela that we are leaving behind will be either left behind or displaced from their positions of leadership.

Political parties and other national institutions today appear eroded before the nation. We must reflect on this moment of our national life. We must review this situation, because although it is true that there has been a deterioration, there is also a historical process of adjustment during which political parties and other institutions in a democratic system have not yet found their new roles, new methods, and new styles of leadership.

There is no time to waste during this time of change. Society will not wait for those who do not know or cannot assume new roles. Transforming without being transformed is quixotic.

The media plays a determining role at this historical juncture. They are part of the country's transformation. It is pertinent to ask how the crisis has affected the media. It played an important, but relatively modest role in the social model we are replacing. It was the echo of events. Today, the media is much more than that. Media sources have become frontline actors.

It is necessary to clearly define the task of informing and guiding that they must carry out during this phase of the country's reconstruction and reorganization. It is not up to the government to define their role; this must be defined by the media itself and by society. However, the

country cannot live from one scandal to another and not all conduct and leadership should fall to the same disgrace. We want everything that should be disclosed to come to light. This must be done objectively and based on adequate investigation, so that the public does not condemn innocent people and so that those who are really responsible are punished. I urge the media to find the legitimate, firm, free, and critical role that Venezuela's transformation demands. [passage omitted]

We know that Venezuela can only overcome its limited prospects for economic development insofar as it makes progress in agricultural and industrial transformation, in the restructuring of state-run companies, and in reforming the tax, trade, and financial systems. To strengthen our potential for stable self-sustained growth, excessive regulation and intervention must definitely be eliminated. Such regulation and intervention were intended to artificially hide our production deficiencies and the national production system's inability to supply the people's need. By allowing free competition, the false apparent well-being sustained by public subsidies or by imported supplies has been uncovered. This false apparent well-being was being financed by a fiscal deficit and a growing decrease in our supply of foreign exchange, which in turn was maintained by crippling indebtedness—not just the size of the debt, but the level of commitments and sacrifices they imposed. We were sacrificing the nation's destiny and the possibilities for well-being in a national process that in the future would threaten our survival as a sovereign nation.

We had no alternative. The orientation of the developmental process in terms of internal growth was wasted. This process had to be replaced with growth geared toward world markets and competition in an open market in terms of quality and prices. This in turn must create, by our own efforts, foreign exchange revenue and financial resources that, in a progressive and cumulative fashion, will allow us to produce in areas in which we truly excel. All of this translates into increased production, more trade, more price stability, more jobs, and better salaries.

Perhaps the most tacit but decisive achievement in the nation's future development is the significant progress made to turn Venezuela into an exporting nation. This can currently be observed in the substantial increase in our non-traditional exports. These exports are the result of joint efforts by the government and businessmen to bolster competition and reduce the traditional attitude against exporting.

Statistics speak for themselves. The records of basic macroeconomic trends statistics show that GNP [gross national product] grew 4.4 percent—the highest growth rate in Latin America in 1990. This is the result of significant progress in the manufacturing sector, which has increased 5 percent. The electrical power generating sector was increased by (?2.6) percent; public and private construction reached 7.6 percent; and the trade, transportation, and communications sectors, jointly grew 2.9 percent. Slower growth was registered in the agricultural sector, but we knew beforehand that we were lagging behind there and that the difficulties in this sector would be greater, however, we were able to close the gap in this sector's impasse as part of a production reactivation policy that is being progressively implemented with all the nation's economic activities. The unemployment rate was held at 10 percent, which means we were able to absorb an entire new labor force.

Frankly, the country's foreign accounts developed very well, showing a balance of payments surplus of $7.4 billion, closely linked to heavy export growth amounting to 35.4 percent. The growth of non-traditional exports particularly stands out, which proves precisely our capacity to integrate ourselves into the world market.

The most direct benefit from our foreign economy was a significant increase in international reserves, which at the close of December 1990, amounted to $11.642 billion, of which $7.234 billion are operating reserves. Inflation has been substantially reduced, registering 36.5 percent during 1990—less than half of what it was in 1989. With the prudent policy of fiscal and monetary rationalization, this rate will be substantially less in 1991.

The fiscal deficit—the basic cause of our economy's woes—was virtually eliminated in 1989, reaching a surplus of nearly 1 percent in 1990. As part of this successful anti-inflation campaign, we highlight the stable exchange rate in 1990, with a variation of less than 20 percent; maintaining realistic interest rates to favor investments and domestic savings; and increased commercial reforms that reduced protective tariffs by 50 percent to stimulate competition and lessen inflationary trends.

Venezuelan Petroleum, Incorporated [Pedevesa] produced 2.135 million barrels per day of crude oil and petroleum byproducts—223,000 barrels more than in 1989—and exported 1.881 million barrels per day of crude oil and petroleum byproducts at an average price of $20.33 per barrel, which means an average increase of over 250,000 barrels per day and an increase of $3.60 per barrel above the estimated export price. We must take into account that this increase in the volume of exported oil and the price are not the result of normal or desirable circumstances, but due to the crisis brought about by the invasion of Kuwait.

It is important to bear in mind that these figures indicate the optimum use of Venezuela's refining capacity, which was expanded and modernized throughout the year through projects that are intimately linked to the national oil strategy. The government was prudent when evaluating oil income and this became apparent in the conservative estimates of export volumes and prices. We calculated $19 per barrel when the market price was as high as $30 per barrel. We calculated 1.9 million barrels per day for export when we could have sold over 2.1 million barrels per day. This has spared us the problem of having to make drastic budget cutbacks at this stage.

We will maintain the balanced public spending that was estimated and approved in December 1990. Not only did we have this foresight, we also accumulated a strategic reserve of over $1.2 billion in the macroeconomic stabilization fund to protect us from cyclical fluctuations. This strategic reserve will be used only after making the greatest possible cutbacks in lesser priority expenditures. [passage omitted]

I firmly believe that public expenditures are a matter of strategic importance and should be above party politicking so that we can pay attention to this delicate issue with a spirit of national unity.

In 1990, real investment by the consolidated public sector totalled 267 billion bolivares and the creation of infrastructures that support production, social development, and productive investments have had a significant and positive impact.

The result of investments by Pedevesa to increase our ability to export oil and petrochemical products has been outstanding, as has been the work of the Extraordinary Investment Plan, the Special Plan for Employment and Social Investments, and the National Plan for Repairing Roads and Highways.

Other outstanding efforts have been the investments of the CVG [Venezuelan Corporation of Guyana] for the industrial reconstruction of basic enterprises, the continuation of the Caracas Metro System construction works, the investment and maintenance programs of FEDEN [expansion unknown] in the field of education, those of FIMA [expansion unknown] in the field of medical assistance, and the investments being made in coordination with state governors.

In 1991, these investment plans will reach their highest level.

The agreement to reduce and restructure the foreign public debt, a fundamental achievement of the government, has allowed us to eliminate the harmful effects of the ruinous cycle of distrust that loomed over the Venezuelan economy. Through this agreement and by means of repurchasing programs and guaranteed payment clauses, Venezuela has paid more than $10 billion on the service charges of its foreign debt with commercial banks and has reduced its debt service bill to $1.2 million, which is equivalent to 10 percent of export revenue. The debt service bill had swollen to represent 50 percent of export revenues.

By reducing and restructuring its debt, Venezuela was able to significantly regain credibility in the eyes of the international financial community. Capital that had been taken out has begun to return and the country's economic outlook is again attracting foreign and national investors. [passage omitted]

With the honesty with which I always explain the government's work and ideas, and to tell the country about the work that will be done in 1991 so that all citizens can have a clear idea of what the public administration is doing, I will announce to the country the annual plan of operations that will serve as a guideline for work to be carried out by the public sector. The entire plan will be presented within the next few days. This afternoon, at this session, the plan will be presented to the nation's senators and deputies. The plan lists the work that the national government will carry out in 1991. The plan is dynamic and flexible so that it can be changed according to circumstances.

What is our macroeconomic objective for 1991? First, to ratify the rigorous program designed to straighten out our public finances. We estimate that we will again have a surplus in the consolidated public sector. To secure this goal and to keep an adequate balance between revenues and expenditures regardless of circumstances, we will continuously study the financial situation.

One important aspect of the plan is tax reform, on which I have consulted with the country. The main objective of this reform is to secure for the Venezuelan economy a non-inflationary and steady source of public income to neutralize the effects of erratic oil income. I have responsibly presented this reform to the country. It is important to point out that it will not specifically benefit my government. Its effects, which are necessary and which will determine the country's future, will yield fruit during the forthcoming constitutional periods.

The proposal embraces tax reform that includes the modernization of the income tax law and the value added tax, and the modernization of the Finance Ministry and tax control mechanisms.

The government is making a big effort to improve the quality of public services and to increase the efficiency of state enterprises.

We are improving our hospital services; restructuring the telecommunications, water, and power sectors; and making room for contributions from local and foreign private sectors. We also hope to conclude the privatization of businesses, banks, and hotels, which will be an additional source of extraordinary resources for the state to be reinvested or used to amortize our public debt.

I must underscore that the 1991 public investment program is guaranteed by secure financial backing. Investment in social infrastructure and production support amounting to more than 220 billion bolivares will be guaranteed by soft credit from multilateral and bilateral organizations and by the central government's own savings. They will not depend on our income from oil.

This effort by my government to foster the country's growth and development will be strengthened by an enthusiastic rise in private, national, and foreign investment, with an emphasis on the initiation of large-scale development projects. Among these are nine petrochemical projects, an investment of almost $3 billion, equivalent to 150 billion bolivares, with a net export capability that will surpass $1.2 billion when they begin to

produce. We will also initiate the construction of three aluminum production plants capable of producing 800,000 tons annually, which will increase by 1.6 million tons annually with an export capability of over $2 billion per year.

To conclude, we will develop a considerable number of large tourism projects, a paper mill representing an investment of $600 million, and other projects in various sectors.

I would like to reiterate that the greater part of this investment is private, with a high proportion of foreign investment, which demonstrates the confidence that the international economy has in Venezuela's future.

On 1 January 1990, the housing policy law went into effect. The recently created National Housing Council immediately began outlining the actions of the public and private sectors, distributing the resources of the public sector, and defining the mechanisms for housing savings [ahorro habitacional] and regulations. In 1990 the National Housing Institute, National Urban Development Fund, and Rural Housing received $8.6 billion bolivares from the two-year plan, the employment plan, and the housing policy law for the production of 39,400 homes.

Meanwhile, 2.4 billion bolivares were allotted to the INOS [National Institute of Sewers and Waterworks], Cadafe [Electrical Administration and Development Corporation], and the CVG, to establish services for the homes built. Likewise, the governors received 3.2 billion bolivares as established by the Constitution, to build homes.

The housing savings, to which all of the country's workers and employees must contribute 1 percent of their salaries, and to which their employers must contribute 2 percent, deposited in accounts in the workers' names, collected 6.2 billion bolivares in 1990, a figure that surpassed our expectations by 1 billion bolivares. We incorporated 2.218 million workers from the public and private sectors and 82,600 businesses into this new form of savings. With these savings, we extended credit for the construction of 3,400 homes and for the acquisition of 5,400 homes in the Assistance II area.

In 1991, housing policy resources will reach 36 billion bolivares, of which 22 billion will go to the central administration, 5.3 billion to the state governorships, and 5.7 billion to housing savings. With these resources, the central administration will begin to build 100,000 houses, and the governorships will begin working on another 15,000, for a total of 115,000. [passage omitted]

Another measure, even better than subsidies, was implemented in the social security field. During our first year of government, special insurance was created to support unemployed workers. A draft bill will be presented to the Congress within the next few weeks to create what will be a complete social security system, which we should try to accomplish in the shortest possible time.

I must stress that many of the programs I have described have greatly benefited from the decentralization process. Their tremendous expansion and the broadening of their levels of protection would not have been possible without cooperation from state and local governments. They significantly contributed toward the central government's establishing the PAME [expansion unknown], daycare centers, and the plan to support the economy of grassroots sectors.

The readjustment of macroeconomic variables, particularly with regard to exchange rates, interest, and prices had the initial effect of depressing agricultural production and investments in that field. The year 1990 was characterized by stabilization. The production of corn, rice, legumes, tropical fruit, and marine products increased compared to 1989.

In the area of commercialization, Decree 988 was promulgated this year establishing a new commercial policy in the agricultural sector.

The National Council for Agricultural Roads [Consejo Nacional de Vialidad Agricola] consisting of representatives from the government and agricultural organizations, was created through Decree 1158 of October 1990. This council promotes the direct participation of users of agricultural roads in determining priorities, the construction of roads, and their subsequent maintenance. More than 10 billion bolivares have been assigned for road construction projects in 1991. That plan will be institutionalized through the Roads Law [Ley de Vialidad], which will be submitted to the Congress for debate this month, and through the Fund for Agricultural Roads [Fondo de Vialidad Agricola], which will secure its own funds to build the roads required for our national agricultural production. [passage omitted including 6-minute break in reception]

Foreign policy continues to be determined by interdependence and its overall problems and solutions, which is a basic task of the government. This has provided us with a satisfactory agreement with regard to negotiating our debt, and this is the result of the developing countries' struggle.

During 1990, Venezuela has been very active in the international arena. We have taken on responsibilities in the political, economic, legal, and security fields. In fact, participating in the difficult process of pacification of the traumatic and fraticidal war, that El Salvador has been confronting for years, has meant an active Venezuelan presence in various sites where the interests of the country are present. We are an active member of the Nonaligned Movement; we have a unique position as a founding member of OPEC; we had the responsibility of coordinating the troika of heads of state and of government who form part of the Group of Fifteen, and we had the responsibility of coordinating the Rio Group; and we worked together with Prime Minister Felipe Gonzalez, President Salinas de Gortari, and President Cesar Gaviria, and the secretary general [not further specified].

At the same time, we have had to reflect, conciliate, and project proposals that represent a democratic vision of Latin America.

This is a magnificent opportunity for contributing to consolidating the central goal of Venezuela's foreign policy, such as promoting the integration of Latin America in its broadest sense. Our neighbors—Brazil, Colombia, Guyana, Trinidad and Tobago, Central America, and the Caribbean—are the goals of our most demanding and positive bilateral attention, as well as various agreements of multinational cooperation. The specific problems with Colombia and Guyana have received special treatment, and we announce to Congress that we are making progress in finding definite solutions.

The Colombian-Venezuelan border commission has done an extraordinary job with decisions that are being incorporated into projects and programs for promoting the socioeconomic development of the border area. We have concluded an agreement with Trinidad and Tobago on the delimitation of marine and submarine areas, a task that had been delayed for 15 years.

I must admit that I am very pleased to recall that during my two-year administration, we have achieved similar agreements with the Netherland Antilles, the United States of America, the Dominican Republic, and now with Trinidad and Tobago. In this manner, Venezuela is ensured a territorial sea expansion of over 500,000 sq km, and this is done in full agreement with our neighbors.

We visited Brazil, Colombia, Costa Rica, Chile, Guatemala, and Haiti on the occasion of the inaugural ceremonies of their democratic rulers, thus consolidating our close relations with the people and our friendships as presidents. We accepted invitiations to visit Argentina, Belize, Bolivia, Honduras, El Salvador, and Guyana in Latin America; the United States of America in North America; and Spain and Italy in Europe. We also held border meetings with the presidents of Brazil, Colombia, Guyana, and Trinidad and Tobago.

In addition, we attended meetings with the representatives of Caricom [Caribbean Common Market] in Trinidad and Tobago, strengthening a progressive and advantageous relationship with the Caribbean nations and Caricom.

We have received visits by the presidents of Argentina, France, Chile, El Salvador, and Guyana; by the prime ministers of Trinidad and Tobago, Jamaica, Malaysia, Guyana, and of St. Vincent and the Grenadines.

Every six months we have held the meetings of presidents of the Andean Pact in Bolivia, Colombia, Ecuador, and Peru. To end the first complete cycle of presidential meetings, the next meeting of presidents of the Andean Pact will be held in May in Venezuela. These meetings have relived and shaped the process of Andean integration.

I attended the meeting of the Group of Rio in Lima, Peru. The last meeting of the Group of Rio in 1990 was held in Caracas, and it accomplished the historic initiative of making the group representative of continental and Caribbean islands Latin America. This was accomplished by incorporating Bolivia, Ecuador, Paraguay, one president representing the Central American community, and one head of government appointed by Caricom to the Group of Rio.

The Group of Three, formed by Colombia, Mexico, and Venezuela, was also born in 1990. It is destined to develop the potential of progress and cooperation among our countries and to coordinate initiatives that will contribute to the development of Central America and the Caribbean. We are cooperating with the Haitian democracy. We support the efforts of Central America and the Caribbean to move toward greater development by giving our cooperation, coordinated with Mexico in the San Jose Agreement.

We maintain as a high priority our third world commitment to have closer ties with countries from the South. Our participation in the group of military observers for Central America, the peace-keeping force of the United Nations, and the UN verification group of the Haitian elections represent proof of the role that Venezuela is capable of playing under situations that demand a military presence in order to contribute to the consolidation of peace and harmony among nations. This also highlights the prestige and importance of our national Armed Forces, which are specifically called on to lend a helping hand.

We must especially celebrate the election of Ambassador Andres Aguilar as magistrate of the Supreme Court of Justice for the first time. This represents a victory for Venezuelan diplomacy, as the Venezuelan candidate garnered the largest number of votes and he obtained support unparalleled by other countries, whose candidates were also elected.

I want to finally mention the children's world summit that was held in New York in September, 1990, where the world declaration for the survival, protection, and development of children was adopted. We reject the threats to return to the dictatorial past of the continent, such as the coup d'etat that toppled the legitimate government of the Republic of Suriname. We also want to establish a new regional security system; a new OAS, less rhetorical and more committed to the needs of the development of our countries.

The enterprise for the Americas Initiative made by President Bush establishes an important challenge to all Latin American countries about our own regional relations. We have decided to study the U.S. proposal individually and collectively with the Latin American countries. There will be new negotiations this week in Caracas for the signing of the agreement whereby we create the bilateral council for commerce and investments between Venezuela and the United States. We

have been working on this since my official visit to Washington, when I was invited by President George Bush. We believe that this will be the final meeting because our positions have coincided. The agreement contemplates the functioning of specific working groups, where the private sector will play an important role. The representatives of the private sector will participate in the working groups. We understand that the ability and level of participation of Venezuela in this new enterprise will depend on the desire, effort, and willingness of the private sector representatives.

We are about to sign that agreement with the United States, which will be an adequate framework for developing the agenda for the implementation of a plan that offers great opportunities for the fulfillment of short- and long-term goals in creating free trade in the hemisphere.

The occupation of Kuwait by Iraqi forces on 2 August 1990 overshadowed the optimistic atmosphere created in 1989 and the extraordinary events of that year, which took place between the United States and the Soviet Union. Kuwait is again a sovereign nation, rescued by and for the international community.

Those episodes have taught us tragic lessons. The West and its sellers of weapons and deadly technology, cannot evade their responsibility. Now we must face the problems of peace, the economic consequences of war, and the political consequences of peace. That crisis showed the danger of the arms race, its uselessness and the risk that arsenals pose. It was undoubtedly a hard blow for the militaristic and political ambitions of small- and medium-size countries. This should be food for thought for Latin American nations.

Recognizing the great risks involved in not acting promptly, the President of the United States presented to the U.S. Congress a general plan for resolving the complex Middle East problems, the old conflict between Israel and Arab nations, the occupied territories and the Palestinian fatherland, the validity of UN Security Council Resolutions 242 and 338, and finally attaining peace in the complex Middle East region.

Venezuela has always maintained that it is necessary to confront the Middle East conflict with realism and determination. Surely, this is the best time for the international community to act firmly, respecting the characteristics of its people, religious creeds, and interests.

We have very old and important relations with Middle East nations. We are committed to renewing our efforts for peace and understanding in that region. The positive and negative lessons regarding the functioning of the United Nations during the Persian Gulf crisis, and its ability to prevent future conflicts, should lead to an evaluation of its organizations and procedures, so that the United nations can undertake the central role it must play in guaranteeing peace, security, and international well-being. We want a respectful and respected United Nations, capable of protecting all nations at all times, and not a few, sometimes.

The time has come to build an era of cooperation and solidarity, which will inspire the highest principles of international justice, based on dialogue and respect for the pluralism and sovereignty of nations, enabling us to advance toward a democratic, just, prosperous, and hence peaceful international society. Toward that end, we must strengthen regional mechanisms, so that they can fulfill their mission of preventing and resolving conflicts.

Strengthening and keeping OPEC active will continue to be one of my government's priorities.

We need to have a strong OPEC capable of fulfilling the stabilizing function of the energy market for the benefit of its members, the nonindustrialized nations that import petroleum for their development, and the stability, health, and strength of the world economy on which we all rest.

There are many more issues regarding foreign policy, but I cannot but mention the importance of Venezuela's entry into GATT. In this organization, Venezuela will defend the basic interests of international trade and the specific rights of the developing countries.

There cannot be peace in the world as long as there are starving people. We are committed to seeking a new international order, which will not rest alone on the military and technological capacity of those who have more. It will rest more on just relations and greater access to trade, capital, technology, and the information for the countries that have less and are in need.

Messrs. senators and deputies, on 4 December, 1990, the political parties and the executive branch signed the Reform Pact, which was viewed as a crucial contribution to the political, social, administrative, and justice modernization of our democracy. The priority subjects included in this historic pact—that is, the reforms to the parties, the electoral system, and the judiciary branch—are receiving preferential treatment from Congress commissions and prominent members of the Supreme Court of Justice, the Council of Courts, and the Attorney General's Office.

I have no doubts about communicating to the country my deep optimism that these initiatives will soon culminate in far-reaching reforms that can no longer be postponed. These reforms are: The modernization of our political parties; the deepening of democracy through a more participatory electoral system with the single vote system; the drastic reduction of the duration and the expenditures of the electoral campaigns; and an effective and professional judiciary branch, which will be respected and trust-worthy. These will be some of the indispensable solutions for reconciling Venezuelans with their basic institutions.

Venezuelans, where are we standing within this great change of direction? We are criticized for not having undertaken privatization. We are told that we have

adversely affected the standards of living of Venezuelans. We are accused of having little social awareness. It is not the duty of the head of state to engage in polemics with the main opposition spokesmen. On the contrary, I constantly urge them to reach concerted agreements. I have tried to outline the procedure and irreversible orientation of the actions in which we have responsibly committed the country. The success that this program will attain does not depend solely on one man, one party, or the government. In my government program, when I announced to the country what I would do if I was elected president of Venezuela, this is what I said. I proposed a concerted agreement as a means to guide the best efforts of Venezuelans. This is what I have done, and this is what I will continue to do.

Let us feel that we are experiencing rapidly changing times, which demand that we act urgently. We are experiencing times in which the national agreement and the collective will of all Venezuelans becomes more important with time. I understand, value and appreciate that these times demand open-mindedness and understanding in order not to throw away or lose any initiative that will stregthen the spirit and the collective will of Venezuela.

You know me well. I am the most optimistic person in the country.

My optimism—prudent and rational—is firmly based on my extensive knowledge of our widespread difficulties and limitations, although these are quite inferior to the exceptional opportunities that we are creating for the benefit of all Venezuelans. We are sensibly learning to face, and above all to overcome, the challenges imposed on us by these new times. I am totally convinced, as society is, as well as those who objectively analyze our process are, that we are capable of creating a new era in keeping with our dreams and our exceptional possibilities. To makes these new times possible, I call on all of you. At this decisive crossroad, my solemn commitment is that endurance, tenacity, and resoluteness will prevail in all government actions.

To conclude, as I did at the end of my last address, let us remember Simon Bolivar's words that we should all memorize and make the motto of all our actions: We need to work very hard to regenerate the nation and give it consistency. To have a nation, we must have patience and more patience, tenacity and more tenacity, work and more work. This is our motto. Let us get to work.